

# Cultivating Vitality

A Strategy to Create a Thriving Downtown Nashua



*A DRAFT* Report of the Services Advisory Committee  
September 2010



# Contents

## Chapter 1: Cultivating a Great Downtown 1

A Good Downtown	1
Room for Improvement	1
Services Advisory Committee	2
Cultivating a Great Downtown Nashua	2
The Strategy	3
About This Report	4

## Chapter 2: Branching Out to Stakeholders 7

Services Advisory Committee Meetings	7
Downtown Business Owner's Survey	7
Downtown Consumer Survey	7
Best Practices Research	8
Public Information Sessions	8
Next Steps	9

## Chapter 3: The Root of the Problem 11

Parking Issues	12
Shopping and Dining Issues	13
Downtown Appearance Issues	14
Traffic Issues	16
Vitality Issues	17

## Chapter 4: Sowing the Seeds of Change 19

Solutions Identified by Stakeholders	19
Best Practices of Peer Downtowns	21
Downtown Strategies that Work	22

## Chapter 5: Ingredients to Cultivate Growth 29

Common Ingredients for Funding Vitality	29
City of Nashua Municipal Resources	30
Community Development Block Grant (CDBG)	31
Business Improvement District (BID)	32
Parking Benefit District	34
Tax Increment Financing	36
Grants and Fundraising	37

## Chapter 6: A Plan that Bears Fruit 41

Downtown Nashua Improvement Strategy	41
Downtown Parking Improvements	42
Near-Term/Low-Cost Improvements	43
Near-Term/Moderate-Cost Improvements	45
Improvements Requiring Further Analysis	47
Customer Attraction Program	48
Streetscape Enhancement Plan	51
Small Business Assistance Initiative	53
Downtown Funding Strategy	54
Downtown Funding Strategy Budget	58
Accountability	60





# Chapter 1: Cultivating a Great Downtown

## A Good Downtown

Downtown is the center of Nashua, both physically and symbolically. In the late 1970's, streetscape renovations in Downtown were completed. Brick sidewalks were added and trees were planted to beautify Main Street, enhancing the pedestrian-friendly environment. Downtown Nashua experienced a renaissance in the 1990's led by the opening of several world-class restaurants bringing new life to Main Street. Recently, Money Magazine named Nashua among the 100 Best Places To Live 2010, specifically citing Nashua's "sidewalk cafes on tree-lined brick streets, great shopping, and award-winning restaurants" in Downtown. This marks the 11th time Nashua has made the top 100 list, more than any other New Hampshire community.

## Room for Improvement

Although there are many wonderful attributes of Downtown, there has been a noticeable decline in recent years. The brick sidewalks are showing years of wear and tear, posing a danger to pedestrians in many areas. The roots of the once beautiful trees are causing the bricks to heave. Some of the trees are dying and will need to be removed. The amount of cars travelling through Downtown on Main Street has dramatically increased over the years creating a safety hazard for pedestrians as well as detracting from the Downtown experience. The one-way streets no longer enhance, but actually impede the flow of traffic.



*The once beautiful brick sidewalks pose a safety hazard to pedestrians and are in dire need of repair.*

Competition from other shopping areas and downtowns is adversely affecting Downtown Nashua. The evolution of big box stores and increased on-line shopping, in combination with the economic decline starting in 2008, have had a detrimental impact on Main Street as can be seen by the increased vacancy rate. The bloom is off the rose, so to speak.



## Cultivating Vitality

### Services Advisory Committee

In 2009, Great American Downtown (GAD) recognized that the pace of downtown growth had slowed and created a committee to explore the possibility of implementing a Business Improvement District (BID) in Downtown. A BID is essentially an assessment on property within a defined geographic boundary in which the revenues raised from this assessment are spent within the area. Funds are directed back to the defined area to finance *enhanced* services, which may include security, maintenance, marketing, economic development, parking, and special events. The GAD Committee recommended the establishment of a Services Advisory Committee and to further study the opportunity.

In July 2009, Mayor Lozeau and the Board of Alderman established the Services Advisory Committee (SAC) to investigate and make a recommendation on the feasibility of a Business Improvement District (BID) in Downtown Nashua. Appointments were made to ensure representation from a diverse group of Downtown Nashua stakeholders, including property and business owners located in the core of Downtown Nashua, Railroad Square and Main Street South of Kinsley Street.

The Members of the Services Advisory Committee are:

- **Marylou Blaisdell, Chair** (Downtown business owner)
- **Arthur Bruinooge**, Railroad Square Representative (Downtown business owner)
- **Alderman Jeffrey Cox** (Chair, Board of Aldermen Infrastructure Committee)

- **George Katis** (Downtown property owner and business owner)
- **Rich Lannan** (Downtown property owner)
- **Sy Mahfuz** (Downtown property owner and business owner)
- **Alderman Michael Tabacsko** (Chair, Board of Aldermen Planning and Economic Development Committee)
- **Dr. Praveen Suchdev**, South of Kinsley Street Representative (Downtown property and business owner)

The Services Advisory Committee is empowered to make recommendations to the Mayor and the Board of Aldermen. It is expected that upon consultation with the Services Advisory Committee, the Mayor and Board of Aldermen will define the boundaries of a BID, determine the assessment rate, select specific services to be provided, and authorize the department, agency, or organization to undertake the work.

Recognizing the importance of Downtown renewal and the inherent funding limitations of a BID, Mayor Lozeau expanded the Committee's responsibilities and charged them to consider *all* options to create a vibrant and sustainable Downtown.

### Cultivating a Great Downtown Nashua

Downtown can once again become a beautiful and flourishing district. Downtown has a good foundation that is ready to be built

## A Strategy to Create a Thriving Downtown Nashua



upon. With a strong commitment from stakeholders and a realistic and properly funded improvement strategy, Downtown will emerge as a vibrant pedestrian-oriented environment. The goal is to create a mixed-use area incorporating a vital commercial center.

Strategic investments will improve the infrastructure and make Downtown more appealing, comfortable and lively. Focusing efforts to encouraging housing options will produce a group of captive consumers to enliven the area at night. It will allow the transformation of a deteriorating area to a destination where people choose to linger.

### The Strategy

The Services Advisory Committee recommends an impactful, long-term and comprehensive approach that will allow Downtown Nashua to blossom. This approach will require a commitment from all of Downtown Nashua stakeholders to join together to promote a lasting revitalization—one that will cultivate vitality on the sidewalks, at the dining tables and at the cash registers.

### Downtown Parking Improvements

The Strategy comprehensively addresses the issue of parking convenience and availability. Existing parking resources will be maximized. It relies on the implementation of a market-based approach to the parking supply in Downtown—higher prices for the most convenient short-term on-street spaces—lower prices for longer-term remote spaces. Coordinating on-street meter rates, off street leased rates and parking violations will encourage visitors to park in the area that corresponds to the length of their visit, freeing up valuable on-street spaces to turn over for more shoppers.

The Strategy includes a plan to make parking easy and inviting.. Off-street lots will be beautified and upgraded to make sure that a visitor's first impression of Downtown is a positive one. Meters will be upgraded to accept debit card and credit cards and signs will be improved in order to make it easy to find an available parking spot.



*Downtown Nashua would benefit from ore vitality, like what is shown in this photo of The Peddler's Daughter.*

### Customer Attraction Program

The Strategy includes a three-pronged approach to raising the visibility of Downtown Nashua as a shopping and dining destination and to bring customers to the front doors of Downtown's merchants. The strategy includes:

- Maintenance and beautification efforts to keep Downtown clean, trees trimmed and lit and beautifully landscaped;
- A comprehensive marketing and promotions campaign to target shoppers, visitors and diners; and



## Cultivating Vitality

- A robust, year-round special events program to create excitement all four seasons in Downtown Nashua.

The Strategy also includes a focus on reducing pan-handling and undesirable activity near Railroad Square.

### Streetscape Enhancement Plan

The Strategy includes implementation of a once-in-a-generation reconstruction of the streetscape and sidewalks in Downtown with new pedestrian-scaled lights, benches, sidewalks and pedestrian-friendly traffic calming elements. This initiative will not only refresh the look and feel of Downtown, but will encourage the safety and enjoyment of pedestrians. This major undertaking will be expensive—but the cost of doing nothing will be even greater.

### Small Business Assistance Initiative

The Strategy supports the small, locally owned businesses that are the lifeblood of Downtown Nashua. Putting these merchants on equal footing with their competitors in other downtowns, at the malls and on-line is critical. Assistance will include targeted technical assistance, incentives to improve storefronts facades and new loan capital for startup or expanding retail and dining concepts.

### Downtown Nashua Investment Strategy

The Strategy includes a way to pay for these ambitious improvements that is realistic, thoughtful and fair. It relies on a funding approach that asks the beneficiaries of the planned improvements—the Downtown merchants, building owners, and consumers—to fund these upgrades. The funding approach includes the following elements:

- a Parking Benefit District that will capture only the new parking revenue (from increase meter rates, leased spaces and parking violations) and reinvest it into Downtown;
- a modest Business Improvement District assessment on Downtown property;
- a commitment of 4% of Nashua's annual allocation of Federal Community Development Block Grant (CDBG) targeted for initiatives for Downtown;
- private fundraising (adopt-a-brick or similar programs) to augment the cost of Downtown improvements;
- advocating for Downtown projects on the NH DOT 10-Year Transportation Plan

The Strategy also includes built-in accountability measures to ensure that the funds raised within Downtown Nashua are spent on Downtown Nashua improvements.

## About This Report

This report is the culmination of the one-year of dedicated effort by the members of the Services Advisory Committee and others that are concerned about the future of Downtown Nashua. What was once just a civic assignment has evolved into a passion about how to make a good place great. It is hoped that this report can become a springboard to highlight common ground among Downtown's stakeholders and to mobilize them in a way that is impactful, meaningful and sustained over time.





It's no coincidence that this report compares Downtown Nashua to a tree—a living organism. In decades past, Downtown was a strong and vital tree, providing life to a city. Change and time leave an established tree with good roots, but now with some broken branches and bark showing signs of wear—it has started to wilt.

This tree now needs renewed attention. Broken branches need to be pruned back and untangled to allow new strong branches to reach for the sun. The tree needs sufficient water and food to allow strong roots to take hold. This tree will need continued cultivation now and in the future to ensure that it continues to grow stronger and greener.



## Cultivating Vitality



## Chapter 2: Branching Out to Stakeholders

### Services Advisory Committee Meetings

The Services Advisory Committee began meeting on a weekly basis in December 2009. The meetings were held Friday mornings at City Hall and were open to the public. Meeting minutes have been made available on the SAC webpage located on the City's website. A list of the dates the Committee met and a summary of the meetings can be found in Attachment A.

Over the past nine months, the Services Advisory Committee has researched successful downtowns throughout New England, studying those with and without Business Improvement Districts. In doing their due diligence, Committee members have spoken to both business owners and property owners in these areas, as well as BID administrators. The Committee has studied the advantages and disadvantages of implementing a BID in Downtown Nashua. The Committee has also thoroughly analyzed the Downtown Nashua area to determine the boundaries of a potential BID.

Understanding the importance of including Downtown stakeholders in the process and to garner their input about the needs and future of Downtown Nashua, the Committee held two public information sessions. The overwhelming consensus is that Downtown improvements must be made if Downtown is to thrive.

### Downtown Business Owner's Survey

The Mayor's Office of Economic Development conducted a Downtown Market Analysis, which consisted of a business owner survey and a consumer survey.

The business owner survey was conducted to gather input from the Downtown Nashua business community. The study analyzed opportunities to improve Downtown Nashua as a place to operate a business. It also generated data to support future business recruitment and enhance future marketing efforts. Specifically, the survey was designed to gather background information from businesses on their needs, business characteristics, and market. The overall goal was to learn how to make Downtown Nashua a more profitable place to do business. The Business Surveys were mailed to 588 Downtown businesses in July, 2009. Surveys were completed by 106 businesses for a response rate of 18%; almost half of the respondents were retailers and restaurants. (See Attachment B: Business Owner Survey).

### Downtown Consumer Survey

The second component of the Downtown Market Analysis was a Consumer Survey, which was mailed to 5,000 households in Greater Nashua in October 2009. Surveys were received from 962 consumers for a response rate of 19%. (See Attachment C: Consumer Survey). The consumer survey was designed to define Downtown Nashua's trade area—the geographic region that



## Cultivating Vitality

generates the majority of customers for a commercial district. The survey was used to ascertain Downtown Nashua's consumer origins, commuting patterns, and competing shopping centers. The overall goal was to determine how Downtown Nashua can be more competitive and attract more customers.

### Best Practices Research

In February 2010, the SAC conducted research to gather information from downtowns with a Business Improvement District (Manchester, MA; Portland, ME; North Hampton, MA; Troy, NY; and Burlington, VT). The Committee members contacted business owners/managers in each city and asked them a standard series of questions regarding their experience operating a business within a BID. (See Attachment D: Questions for Businesses Operating in a BID).

The Committee also reached out to the Administrators of the Business Improvement Districts or municipal economic development officials in each of the cities, again asking a series of standard questions to gain their perspectives on managing a BID. (See Attachment E: Questions for BID Administrators). The positive feedback received from the business owners, the property owners, and the BID administrators warranted further exploration of implementing a BID as a component of a Downtown improvement strategy.

### Public Information Sessions

The Services Advisory Committee held two public information sessions in the City Hall Auditorium on March 30, 2010 and May 4, 2010 at 6 p.m. The Committee reached out to Downtown

stakeholders, including property owners, businesses, and residents. A comprehensive outreach campaign was utilized to notify stakeholders of the sessions, including postcards sent via U.S. mail to over 500 Downtown businesses, email notifications to Chamber of Commerce members and Great American Downtown members, local cable access on Government TV 16, local press, and word of mouth. The sessions were taped for viewing on local cable as well. Approximately 50 stakeholders attended each of the two sessions.

#### March 30<sup>th</sup> Session: Downtown Market Analysis, Consensus Issues & Strategies

Marylou Blaisdell, Chair of the Services Advisory Committee, provided background information about the SAC and introduced members of the Committee. Ms. Blaisdell explained the purpose of the information session and presented the meeting agenda which included:

- A presentation by the Mayor's Office of Economic Development outlining the major findings of the business owner and consumer surveys. The survey results provided insight about what both the consumers and merchants said are the strengths and weaknesses of Downtown Nashua.
- Following the presentation, the stakeholders were asked:
  - "Is Downtown Nashua just fine the way it is?"
  - "Is there room for improvement?"
- By an overwhelming show of hands, the stakeholders indicated Downtown Nashua needs improvement.

## A Strategy to Create a Thriving Downtown Nashua



- A brainstorming session with the stakeholders was facilitated by the Office of Economic Development and generated a list of the most critical issues facing Downtown Nashua.
- The Office of Economic Development presented an overview of common strategies and solutions that have been used nationwide to improve downtowns.
- Stakeholders then provided feedback on common strategies and solutions for downtown revitalization to determine which ones make the most sense for Nashua. Audience response system technology provided instant polling results and a consensus list of issues and solutions was determined.

### May 4<sup>th</sup> Session: Strategies for Improving Downtown Nashua

Based on the input of stakeholders at the March 30<sup>th</sup> information session, cost estimates were developed for the solutions identified as appropriate for the Downtown Nashua improvement strategy. The estimates were derived from extensive research and information provided by the peer downtowns. The purpose of the May 4<sup>th</sup> session was to:

- Inform stakeholders about how other successful cities are implementing solutions and funding improvements based on the success and experience of the 9 peer downtowns.
- Present a budget and possible funding strategies to have a meaningful impact in Downtown Nashua.

- Gain feedback from stakeholders about what strategies are realistic and worth pursuing in Downtown Nashua.

### Next Steps

The Services Advisory Committee followed a logical process to engage the public and develop this report. Survey research developed by the Mayor's Office of Economic Development and information generated by the Greater American Downtown BID Committee served as a starting point for analysis. As the Services Advisory Committee fleshed out issues and came to understand possible solutions to the problems, Downtown stakeholders were engaged in order to gain valuable feedback. Release of this draft report provides another chance for the Committee to find out what the stakeholders think, allowing for further refinement of the report.

The Services Advisory Committee will seek additional feedback on this draft report over the next month. The document will be posted on the City of Nashua website. A mailing will go out to 444 businesses on the Mayor's Office of Economic Development's mailing list of Downtown businesses letting them know that the report is available. Residents will be notified by a message on the City's website and by notices posted on the local cable message board. The Services Advisory Committee will host a public meeting in September to let all weigh in on the strategies.

A final report will be released in the next month and will be submitted to the Mayor and Board of Aldermen for consideration and possible action. It is hoped that Downtown Nashua is on the precipice of a new era of growth and that this report can serve as an essential nutrient to stimulate that growth.



## Cultivating Vitality



### Chapter 3: Getting to the Root of the Problem

Downtown Nashua is truly the heart of Nashua and yet, the Downtown is suffering because it has been overlooked in the recent past. Without further delay, it is time to get to the root of the problem and stop further decline. This effort will take serious commitment by all Downtown stakeholders, including business owners, property owners, residents, consumers, financial institutions, and the City. The Services Advisory Committee is at the center of this effort to transform Downtown Nashua from good to great and has been diligently working towards this end.

Based on the results of the business owner and consumer surveys completed by the Mayor's Office of Economic Development and stakeholder input at the March 30<sup>th</sup> Public Information Session, a list of concerns regarding Downtown emerged. At the March 30<sup>th</sup> session, stakeholders were asked to brainstorm about and prioritize the issues impeding Downtown Nashua.

The group of participants then ranked all of issues at the public information session. Similar issues were combined; minor issues were deleted when appropriate, and then summarized into the following set of consensus issues. The following pages contain a summary of issues that Downtown Nashua stakeholders identified as the most pervasive or pressing. (Please note the issues are not presented in a ranked order of importance, but have instead been grouped by subject area).







## Cultivating Vitality

### Parking Issues

Parking is perceived to be a major detriment in Downtown Nashua. The perception exists that there is a lack of parking throughout the Downtown area. High demand spaces on Main Street are always filled causing dangerous traffic issues as cars hunt for parking spaces. Ease of parking and an abundance of spaces are essential in a vibrant Downtown. Providing adequate, convenient, and safe parking is critical to creating an environment that will attract shoppers, diners, and workers to Downtown Nashua. Specific parking issues include:

#### Location of parking facilities

While there is an ample amount of parking currently located in Downtown Nashua, it is not all located immediately next to the front door of a store or business. There may be limited opportunities to add more spaces on Main Street, which may help to maximize the amount of convenient, short-term parking.

#### Poor signage to off-street lots and garages

Signs that direct visitors to the ample off-street parking facilities are limited and often hidden, which often cause visitors to “circle the block,” increase traffic on downtown roadways.

#### Current parking management policies result in little do not turnover of desirable on-street spaces

It costs the same amount to park at high demand on-street spaces (\$0.50/hr) as it does to park at off-street lots and garages. There is hardly an incentive to avoid parking tickets, which at \$10/violation equates to an effective parking rate of \$1.25/hour. As a result, visitors continue to “circle the block” in order to find an on-street



*The Downtown Nashua parking sign shown above is extremely difficult to see because of its size and location.*

space next to a store, increasing traffic and limiting the turnover at these high demand spaces.

Also, parking time limits are not uniformly enforced, which has the effect of promoting meter-feeding. Lack of meter rates in the evening and on Saturday enables a first-come-first-serve mentality that causes on-street spaces to fill with those that park all day.





*Inconsistent hours among Downtown stores make it confusing for potential customers and many stores are closed when most people prefer to shop—Thursday and Friday evenings and on weekends.*

### Shopping and Dining Issues

As indicated by the recent acknowledgement in Money Magazine as one of the top 100 cities in the United States, Nashua has a reputation as an attractive “Main Street” shopping district with excellent dining options. Yet, there is a concern that Downtown Nashua is losing its competitive edge to nearby big-box shopping areas, on-line retailers and especially, other “main street” districts such as Portsmouth and Lowell, MA. The consensus of Downtown stakeholders is that improvements can be made to create a commercial district that has a wider customer appeal than currently exists. Issues related to shopping and dining include:

#### Limited shopping options

Customers perceive Downtown Nashua as a shopping destination that exclusively caters to affluent shoppers. There is demand for shopping options that appeal to customers from all income levels.

#### Stores are closed when people like to shop

The vast majority of stores in Downtown Nashua are open during work hours (Monday through Friday, 9 to 5). Most people shop in the evenings and on weekends. As a result, Downtown Nashua merchants lose customers and Downtown Nashua is less vibrant during the times when people want to shop.

#### Store hours are not consistent among Downtown Nashua merchants

As a result, Downtown Nashua loses customers to neighboring shopping areas that have predicable, consistent, and uniform store hours.



## Cultivating Vitality

### Downtown Appearance Issues

Successful and thriving downtowns are areas where people choose to linger because of a pedestrian friendly environment. Interesting shop windows, attractive building facades, beautiful flowers, inviting outdoor furniture, outdoor cafes, and well-maintained sidewalks compel customers to stroll slowly down Main Street. Unfortunately, major investments in Downtown Nashua's street and sidewalk infrastructure from the late 1970s are starting to show some wear. Long term maintenance of the public spaces and many buildings has been deferred, preventing Nashua from showing its "best face" and attracting the many visitors who travel down Main Street. Issues related to the appearance of Downtown include:

#### Downtown Nashua is not always clean

Many areas of Downtown Nashua are subject to littering, vandalism, and a general unkempt condition.

#### Panhandling is a growing problem in Downtown Nashua

Panhandler routinely approaches visitors. This creates a negative impression and image of Downtown.

#### Brick sidewalks are in poor condition

This creates a hazard to pedestrians and a poor impression among many current and potential visitors.

#### A number of buildings and storefronts need upgrades

While there are many attractive storefronts and handsome historic buildings in Downtown Nashua, many storefronts look dated, lack character, or are poorly maintained.



## A Strategy to Create a Thriving Downtown Nashua



### Lighting is insufficient and inappropriate for pedestrians

Most of the lighting along Main Street shines on the roadway only. Where pedestrian-scaled lighting exists, it is inadequate to make visitors feel safe and secure.

### Side streets suffer from poor visibility and receive little attention from visitors

One-way streets, poor lighting and limited signage contribute to the situation.

### Increasing number of vacant storefronts

This creates the perception that Downtown Nashua is struggling—this perception left unchecked can impact all of the businesses in Downtown Nashua.

### Security issues in the Railroad Square

Alleged alcohol consumption in public parks, drug use, and prostitution are issues faced daily by residents, businesses and their customers.





## Cultivating Vitality

### Traffic Issues

Main Street currently moves a high volume of traffic through Downtown Nashua. While Downtown benefits from this high visibility from drivers, the design does not promote and support pedestrian activity to the fullest potential. The speeds and volume of traffic clearly detract from a pedestrian-oriented downtown. Successful downtowns prioritize the pedestrian experience over cars. It is the potential customers on foot that are most important. Specific traffic issues include:

#### Portions of Downtown Nashua feel unsafe for pedestrians

Inadequate lighting between Main Street and the parking garages, traffic lights that change too quickly for crossing pedestrians, and barriers created by winter snow banks all contribute to an unsafe or unwelcoming pedestrian experience.

#### Downtown Nashua is “bike-unfriendly” and dangerous

Bicyclists must be wary of fast cars and doors opening into too-narrow bike lanes. Serious bike accidents do occur—even police officers on bike patrol in Downtown Nashua ride illegally on the sidewalk in order to avoid the danger of vehicular traffic.

#### Traffic moves too fast through Downtown Nashua

Fast cars create safety hazards for pedestrians crossing five lanes of traffic on Main Street. Loud noise also discourages sidewalk dining.

#### Significant traffic backups occur during the afternoon and evening rush hour.







*Conversion of the vacant mill buildings in the Franklin / Front Street Mill District into residential uses would help the bring vitality to Main Street.*

### Vitality Issues

A sustainably lively downtown environment will require more residents, shoppers, visitors, and workers. Successful downtowns have a coherent plan to provide a welcoming and livable neighborhood community, promoting walkability, transit access, and open space. A vibrant downtown will support thriving retail and restaurants and will create an environment that people want to experience. Issues that threaten the vitality of Downtown Nashua include:

#### Limited amount of housing in Downtown Nashua

The conversion of empty upper story buildings and mill buildings near Downtown Nashua into housing opportunities will create vitality in Downtown that lasts virtually 24 hours a day. Mixed-use development will create a consistent customer base for Downtown businesses. The housing that exists today is limited in its ability to attract residents from all income levels.

#### Limited schedule of special events

Some of Nashua's signature special events attract tens of thousands of people to experience Downtown Nashua. A year-round, comprehensive program of events and promotions will increase excitement and vitality in Downtown Nashua.





### Chapter 4: Sowing the Seeds of Change

Understanding the issues impeding growth in Downtown Nashua is the first step. The next step is to determine what kinds of solutions and strategies might resolve those issues.

A quick study of possible solutions reveals that there are countless potential strategies from which to choose. Throughout the county, different strategies have been tried and applied to different downtown districts with varying results. Solutions that work in one downtown district may not work in a slightly different context. Finding the right fit, in the right place, at the right time takes careful and thoughtful evaluation.

#### Solutions Identified by Stakeholders

The Services Advisory Committee and the Mayor's Office of Economic Development researched strategies and solutions that have been successfully used to improve downtowns throughout the United States. A list of common improvement strategies was developed and presented to stakeholders at the March 30<sup>th</sup> public information meeting. The Committee turned to the stakeholders, who were asked to rank their preferences and thoughts about what may work here in Nashua. Using audience response technology, the strategies were automatically prioritized. The chart on the next page shows the audience evaluation of which strategies the stakeholders believe will be most impactful in Downtown Nashua

#### People over Cars

The stakeholders exhibited strong feelings for strategies that focused on improving the experience for pedestrians and tamed the impact of automobiles in Downtown Nashua. Fixing sidewalks was ranked as a favorite along with a surprising affinity for traffic calming measures. Both demonstrated near universal approval. Other strategies receiving strong ratings include tree maintenance and lighting, festivals and special events, pedestrian-scaled lighting, and parks and public space improvements. There was a clear emphasis on people-focused strategies.

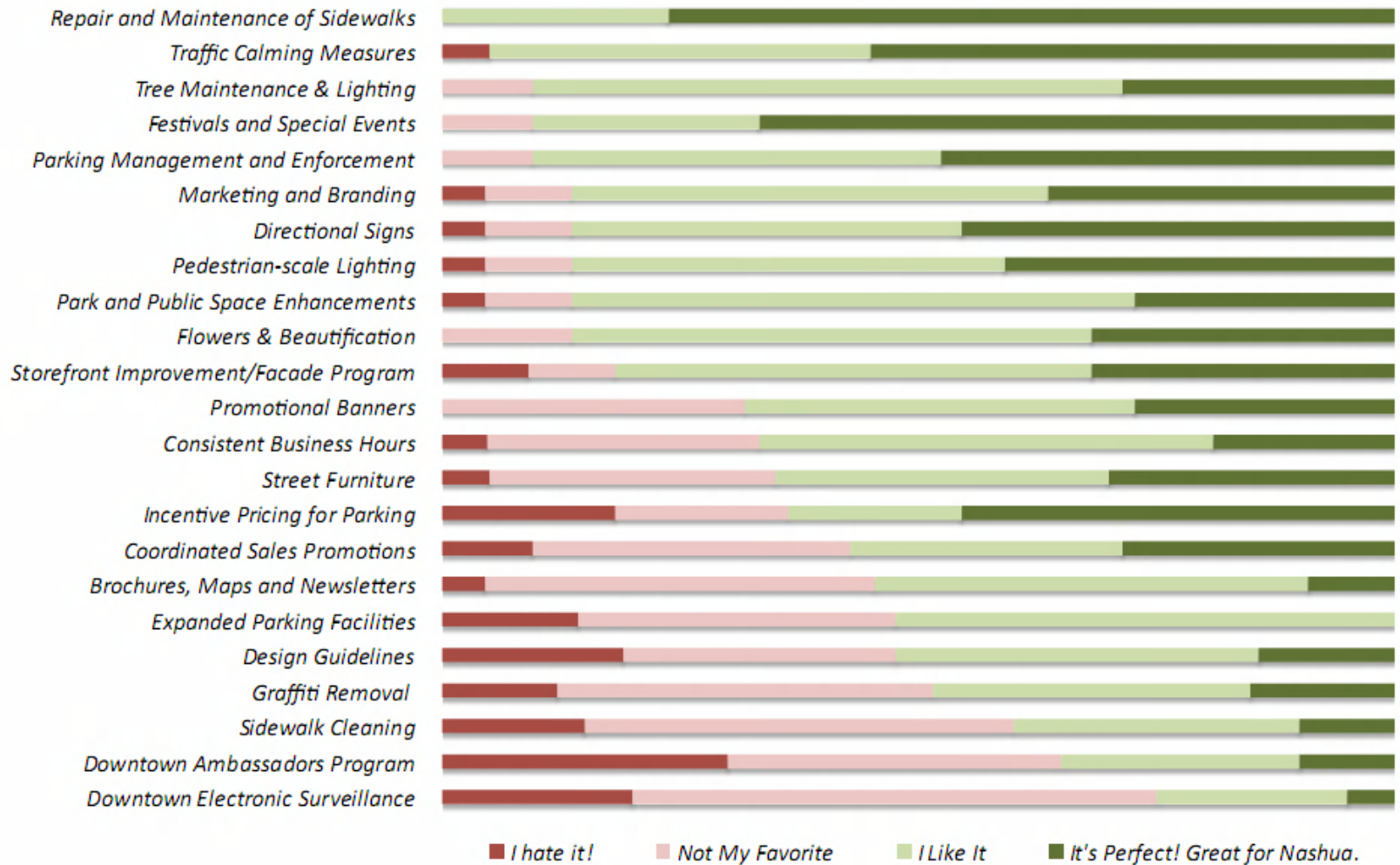
The emphasis in the field of downtown revitalization in the 1950s, 1960s and even into the 1970s was to retrofit formerly walkable downtowns so that they could better accommodate the automobile. Roads were widened in order to speed traffic through clogged downtown districts. Buildings were cleared to make way for parking lots and parking garages with the hope those downtown districts could better compete with new shopping malls surrounded by a sea of parking built adjacent to highways. Downtown areas continued to struggle as concern over the automobile took precedence over the pedestrian's ability to safely cross the street. Recent years have seen a 180-degree change in thinking.



## Cultivating Vitality

### Improving Downtown Nashua

*Popularity of Selected Revitalization Strategies--Opinions of How to Target Resources*





## A Strategy to Create a Thriving Downtown Nashua



This new emphasis focusing on the pedestrian experience is consistent with many of the findings from the consumer survey work conducted earlier as well as experiences in other downtowns seeking to retool. People enjoy places where it is comfortable to linger and see other people. Leaders in downtown districts across the country are now realizing that sidewalks teeming with shoppers, workers, and visitors will create vitality and lead these districts toward a path of solid economic development. Initiatives are now underway to design the physical layout of downtown streetscapes to slow everything down, both people and cars. Wide thoroughfares running through downtown districts are considered for a “road diet” to eliminate a lane of traffic. Traffic calming, the practice of designing roads so that traffic is slowed down, not optimized, is finding rapid acceptance.

### Best Practices of Peer Downtowns

The Committee took the findings generated at the March 30<sup>th</sup> session and began further research in downtown districts with similarities to Downtown Nashua. The goal was to refine this list of strategies and identify which strategies have the best chance of implementation. The investigation included estimates about what it would cost for each strategy to have a meaningful impact upon Downtown Nashua.

To this end, the Committee reached out to representatives from nine peer downtowns and asked a series of standard questions about their successes and costs of implementing each of the strategies (See Attachment F: Questions Regarding Best Practices). Representatives were contacted from each of the following communities:

- Lowell, MA
- Manchester, NH
- Springfield, MA
- Hyannis, MA
- Portsmouth, NH
- Portland, ME
- Rochester, NY
- Andover, MA
- Boulder, CO



*Nashua-area households identified Portsmouth, New Hampshire as an attractive, lively downtown.*



## Cultivating Vitality

### Downtown Strategies that Work

#### Parking

Parking is a major design element and an extremely important priority for all successful downtowns. In order to entice people to drive Downtown, parking must be convenient, adequate, and safe. Parking cannot be perceived to be a barrier; otherwise, potential customers will choose to shop, dine, and live elsewhere. Parking lot and garage signs need to be clearly visible. Again, the goal is to make parking as convenient as possible.

Parking garages, lots, and metered spaces are typically used by those who plan to linger Downtown. However, for customers that intend to patronize only one or two downtown establishments, it is important that they be able to find a parking space close to their destination. To provide this convenience, some of the peer downtowns have implemented pricing strategies to ensure high demand spaces close to store entrances are always available. The rule of thumb is that parking should be priced so that one out of every six of the high demand spaces is always vacant (or about 15%). An additional advantage of appropriately pricing high demand spaces is that it discourages employee meter feeding, thus freeing up these valuable spaces for customers.

The expense to add additional spaces is cost prohibitive and, therefore, most successful peer downtowns have found it more cost effective to focus on better use and management of existing resources. Existing parking is effectively managed by peer downtowns using a tiered pricing strategy. To that end, most successful peer communities are transitioning to “pay and display” parking meters which allow customers to use credit cards to pay for

parking. Pay and display meter rates are easily changed allowing flexible pricing management where high demand spaces located close to store entrances are priced higher. Additionally, customers no longer have to search for change to feed the meter and the communities see an increase in meter revenue that is related to lower coin theft. Successful peer downtowns make parking so convenient for customers that it becomes an afterthought.

#### Customer Attraction

A critical mass of people is essential for any downtown to thrive. If customers do not come, businesses do not survive. Successful downtowns compete with malls and big-box stores by promoting themselves as a special destination and presenting an attractive, welcoming image. A thriving commercial district must also have goods and services that customers want and are hard to find elsewhere. A pedestrian friendly environment, in combination with a unique selection of goods, can be accomplished through a variety of methods—all that make people want to come downtown. Peer downtowns cited the following strategies to be most successful:

- **Tree Maintenance and Lighting**

Tree lighting is an effective method of attracting customers as it promotes a pedestrian friendly environment. Walking along a tree-lit street makes people feel welcome and creates a very special ambiance in successful downtowns. Tree lighting requires a yearly and sustained investment for maintenance and electricity. LED lights are becoming very popular to save energy and reduce costs. Many downtowns are expanding their use of lights to all seasons, not just during the holidays. (Peer Cost Range: \$4,000 to \$12,000/year).

## A Strategy to Create a Thriving Downtown Nashua



*The Pumpkin Festival i brings people from across the region to Keene, NH.*



*This logo leaves no doubt about what is special about Bellingham, WA—shopping and dining.*

- **Special Events**

The purpose of special events is to bring customers downtown and to generate sales for local merchants. There is an unlimited scope and variety of events possible, including holiday festivals, concerts, contests, fundraisers, and farmers markets. Successful peer downtowns emphasize that events are not run to just make money; the goal is to earn enough money to pay for the event and its associated costs and to generate a small profit. Small events can be volunteer-driven, while large events often require substantial support from paid staff. (Peer Cost Range: \$0 to \$250,000/event).

- **Marketing and Branding**

The goal of marketing and branding is to shape customer perceptions and to bring customers downtown. Successful campaigns deliver a unique message telling people why downtown is so special and worthy of their time. There is a wide range of investment levels and types of marketing and branding utilized to attract customers. Some cities, such as Lowell, spend a tremendous amount of money on print, TV, radio, and web advertising. This type of campaign requires a long-term commitment that allows the campaign message or branding to resonate with customers. A coordinated approach among the city, the private sector, and the non-profit community is often required. Others cities spend less, with an increasing focus on low cost advertising methods through social media and email. Marketing focused around special events is also very common. (Peer Cost Range: \$1,000 to \$500,000/year).



## Cultivating Vitality

- **Flowers and Beautification**

Flowers throughout downtown beautify the environment and are another key element in improvement strategies as reported by all successful downtowns. This is a low-cost, high impact method of creating the welcoming atmosphere critical to making people linger in downtown. Various approaches are used to fund beautification efforts, including city sources and non-profit implementation. (Peer Cost Range: \$5,000 to \$ 15,000/year).

- **Promotional Banners**

Banners hung throughout downtowns have a high visual impact and help to define the borders of downtown. Peer downtowns use both seasonal banners and permanent banners. Banners help create the inviting atmosphere critical to attracting customers. Ideally, banners should not contain advertisements/sponsorships, as their intent is to enhance the Main Street shopping environment.

Representatives from Portland, Maine noted that the extra expense to purchase high quality banners is well worth the cost, due to their durability. If funds are not available, sponsorships can be used to cover the cost of the banners. (Peer Cost Range: \$0 to \$5,000/year).



*Flower baskets throughout downtown go along with efforts towards beautifying Downtown Lowell.*



## A Strategy to Create a Thriving Downtown Nashua



- **Consistent Business Hours**  
Customers expect businesses to be open when they want to shop and dine. Successful downtowns realize the importance of having consistent and reliable hours to meet customer expectations. Research has shown that people shop Thursday and Friday evenings and on the weekend. As important as consistent business hours are to successful downtowns, few effective programs exist as individual business owners set their store hours. The majority of business owners in successful downtowns commit to being open at the times customers prefer to shop and, therefore, have meaningful impact. (Peer Cost Range: varies)
- **Coordinated Sales Promotions**  
Sales promotions are critical to attracting people to all successful peer downtowns. Businesses rely on a large volume of customers for their success. Working together to promote special sales events has proven to be very effective in peer downtowns. Successful promotions depend strongly on the voluntary participation of downtown merchants. Promotions are most popular around the holidays. Most approaches use volunteer help while others are facilitated by paid staff. (Peer Cost Range: \$0 to \$15,000/year).



## Cultivating Vitality

- **Brochures, Maps, and Newsletters**

Successful downtowns are investing less and less in printed materials with the transition to web-based initiatives. Web-based promotions have the advantage of reaching a large and captive audience. Yet some communities, such as Portland, ME, partner with their daily newspaper to produce a high-quality “Downtown Guide” fully-paid by advertisements. (Peer Cost Range: \$0 to \$5,000/year).

- **Graffiti Removal**

Successful downtowns focus on putting their best face forward. The most successful programs involve taking consistent and immediate action to remove graffiti. Some programs are the responsibility of the city while other initiatives are private. Approaches that consider that property owners can take care of this expense don’t generally work—graffiti needs to be removed quickly before it attracts other vandalism. (Peer Cost Range: \$0 to \$20,000/year, depending upon the size and extent of the problem).

- **Sidewalk Cleaning**

Sidewalks are the primary social space in downtown, and as such, keeping the sidewalks clean and litter free is an important part of every downtown improvement initiative. Trash on the sidewalk detracts from the pedestrian experience. A downtown that takes pride in its appearance is much more likely to attract customers. Both merchants and municipalities need to take responsibility for keeping sidewalks clean. This is another example of a low cost, high impact revitalization strategy implemented in thriving downtowns. (Peer Cost Range: \$0 to \$30,000/year).





*Portland, Maine is a wonderful example of a city that values pedestrian safety as evidenced by the well maintained sidewalks and pedestrian scale lighting.*

### Streetscape Reconstruction and Enhancement

A fundamental component of every successful downtown involves the streetscape, providing a welcoming backdrop for Main Street activities. A successful streetscape provides visual cues to help drivers recognize they are entering an area of increased pedestrian activity and typically includes tree-lined streets, textured crosswalks, pedestrian-scale lighting, and landscaped medians. Street furniture, outdoor tables at restaurants, and art all create an atmosphere that promotes socialization. These visual cues invite motorists to park and experience Main Street.

Promoting pedestrian safety is an important consideration in streetscape design. It is imperative that sidewalks be properly maintained and appropriate lighting be used. Lighting should enhance a downtown's unique sense of place, inviting businesses to stay open and people to linger and shop longer. Traffic calming measures promote safety and are common among the peer downtowns, which have undergone recent renewal of the streetscape. Reverse-angled-parking, pedestrian islands, and pedestrian "bump-outs" are all effective traffic calming approaches. Highly visible directional signs are also important. Streetscape reconstruction projects such as this are almost always the responsibility of the municipality to implement. (Peer Cost Range: \$500K to \$9,000,000, depending upon the work required).



## Cultivating Vitality

### Business Assistance

Existing businesses are downtown's greatest resource. Established businesses typically employ area residents and are most likely to spend their profits locally. They also tend to support local fundraising efforts. Providing support to downtown businesses is an absolute priority in successful downtowns. Support should include:

- **Building Façade Program**

Properly maintained buildings are just as important as the streetscape. Façade programs are very popular among all peer downtowns and their businesses. Consistent annual funding is important for a façade program to be successful and impactful. Programs are most effective when store/building owners participate financially on a cost-matching basis. (Peer Cost Range: \$25,000/year to \$125,000/year).

- **Technical Assistance**

Most business operating in downtowns are very small, typically operated by the owner and one or two employees. They do not have the resources of big box stores and national chains; therefore, it is essential to provide technical assistance to the small businesses in a cost effective manner. Understanding the time constraints of small business owners, prosperous downtowns report that seminars on pertinent topics are an effective delivery mechanism for needed assistance. A coordinated network of assistance providers can be used. (Peer Cost Range: \$5,000 to \$50,000/year).



*New building façades stimulated by a sign and façade improvement program in Boulder, CO make pedestrians want to linger.*



*The colorful building façade in Portsmouth, NH is a wonderful example of a successful building façade program.*





# Chapter 5: Ingredients to Cultivate Growth

A roster full of exciting initiatives and ideas that will cultivate a vibrant Downtown is meaningless if the resources are not available to see them come to fruition. Generating an idea is the easy part. Finding a funding mechanism to make it happen is almost always the difficult part.

## Common Ingredients for Funding Vitality

The Services Advisory Committee reached out to many downtown districts in the region in order to find out how success happens and how success is funded. No answer was the same. Downtown Manchester and Springfield, MA found success with the establishment of a Business Improvement District. Downtown Lowell and Portland, Maine rely a mix of city-funding, federal dollars, and investments from community anchor institutions (colleges, hospitals, banks, etc.). Portsmouth, New Hampshire used a combination of city funding and older federal grant dollars. While each found a unique path, some common elements did emerge:

### Long Term Commitment

Investment is not a one-time-deal. The commitment is demonstrated by the collective actions of stakeholders that make downtown a vital part of the community's character. All approaches have been institutionalized, and guarantee a reliable source of funding for Downtown initiatives. Consistent annual support from the municipal budget or an approach such as a Business Improvement District is examples. Momentum built up

year by year begins to grow as small success turn into overall vibrancy

### Leverage additional private capital

All of these communities have seen public investment leverage significant private investment. Opportunities for the public sector to partner with the businesses community and other institutions are critical for success.

### Share the burden

No successful strategy relies on just one funding source or approach to fund downtown investments. There must be participation from various stakeholders. A sustained strategy cannot rely on funding raised from just City government, just the shop owners or just the building owners.

### Significant

Improvement will require a significant investment of stakeholder attention, effort and time. Similarly, funding resources must be significant enough to ensure that the job of cultivating a strong downtown can be done and progress can be seen and felt.



## Cultivating Vitality

### City of Nashua Municipal Resources

The Board of Aldermen and the Mayor authorize spending from the City of Nashua General Fund. The vast majority of Nashua's annual budget is funded through local property taxes. This revenue supports City-provided services and are also used to pay off bonds issued for capital for public infrastructure projects. Funding is subject to annual budget appropriations and is constrained by a spending cap, as well as Mayor and Board of Aldermen sensibilities. Given the pressure that municipal budgets have experienced throughout the state, significant increases in funding are unlikely.

Currently, the City of Nashua provides a number of basic, but critical services that support Downtown Nashua. Efforts are provided by various City departments, and include:

- The Streets Division of the Department of Public Works sweep, plows and repairs Downtown sidewalks and streets;
- The Parks and Recreation Division of the Department of Public Works empties trash receptacles, trims trees, and maintains parks;
- The Transportation Division of the Community Development Department assists with sidewalk plowing, manages the public on and off-street parking facilities, and operates a transit center next to City Hall.
- The Mayor's Office of Economic Development provides business assistance to Downtown Nashua businesses and conducts consumer and business market research for Downtown Nashua;

- The Community Development Department provides planning support and oversees special projects like the construction of the Nashua Riverwalk.

The City also provides \$40,000 in annual funding to Great American Downtown to support marketing, promotions, and special events.



To still achieve results in the face of declining revenues, the City of Nashua has recently rethought some of its operations in order to improve efficiency and to improve the level of service. Last winter, the Mayor reorganized the City's approach to clearing sidewalk snow. The new approach fostered by collaboration between the Mayor's Office, Transportation, DPW and Assessors', prioritized and developed new, efficient sidewalk clearing routes and recommended the purchase of new equipment. The result was significant improvement in snow clearing capabilities, which was universally recognized as a tremendous improvement. Significant improvements have been noticed as parking operations were transferred over to the Transportation Division.



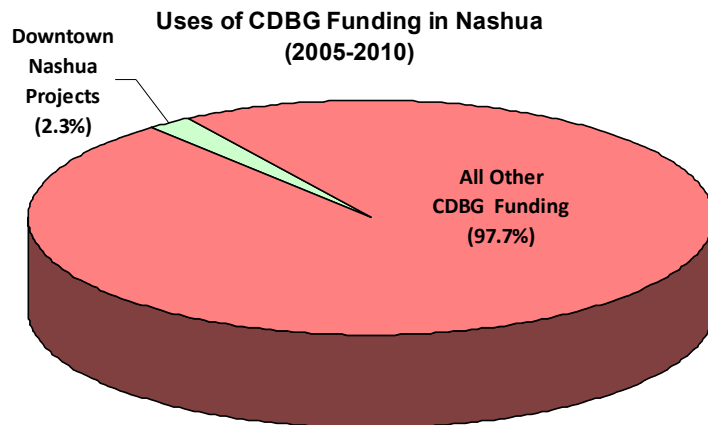
### Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) Program is a long-running program of the Department of Housing and Urban Development that funds local community development activities. Uses for the funds include affordable housing, anti-poverty programs, economic development, and infrastructure. CDBG funding is subject to federal regulations. All projects must meet the National Objective of benefitting low-moderate income persons and/or reduce slums and blight. Funding is largely used at the discretion of the local government.

Examples of Downtown Nashua initiatives funded through CDBG include a Best Retail Practices program, the development of archways for side streets in Downtown (overseen by GAD), partial funding for new sidewalk plows and the funding for the Nashua Green Microloan Fund, which could potentially make loans to Downtown businesses.

The City of Nashua receives approximately \$750,000 per year in CDBG funding. In recent years, social programs, housing, and parks have dominated Nashua funding priorities. Less than \$90,000 has been spent in the last five years on Downtown projects, representing less than 2% of the funding available to Nashua over the past 5 years (approximately \$17,000/year)

Nashua spends significantly less of its CDBG funds than many of its peer cities in the region. These peers spend an average of 4% of CDBG funds for downtown initiatives. If Nashua allocated 4% of its annual CDBG budget for downtown initiatives, \$30,000 would be available.



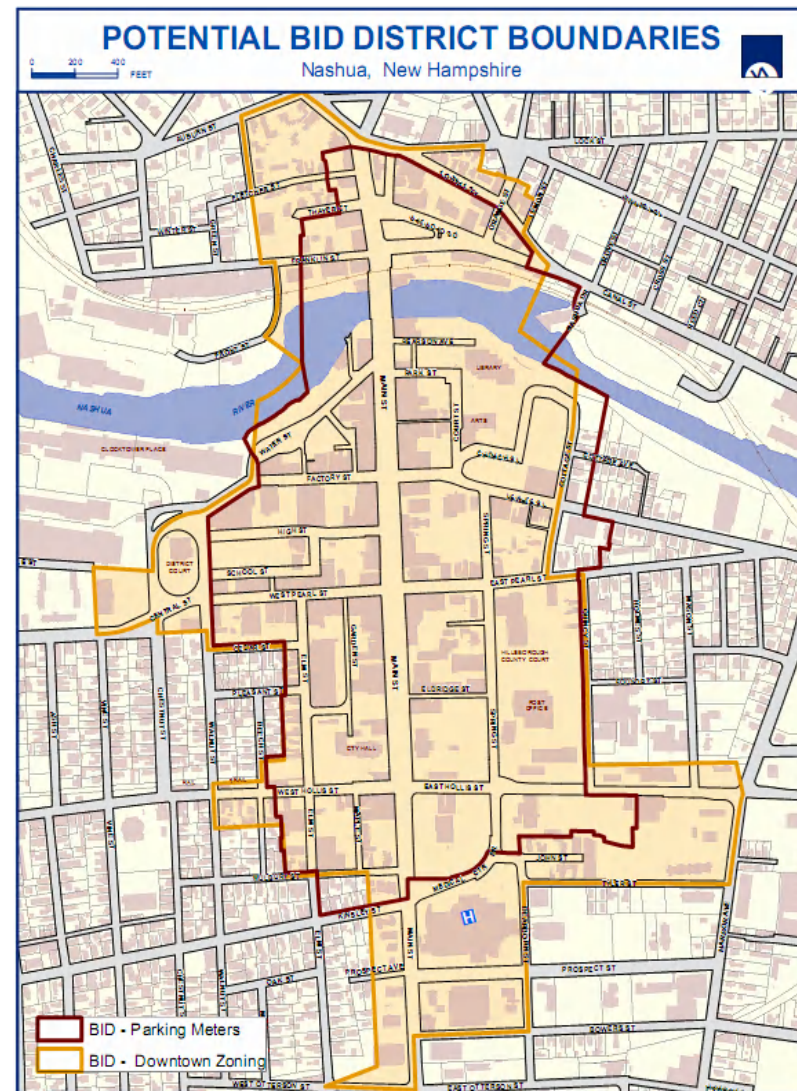


### Business Improvement District (BID)

One of the most successful new approaches for investing in the revitalization of downtown areas is the Business Improvement District (BID). A Business Improvement District is an additional assessment or tax on real property within a defined geographic boundary (district). Revenues raised from the additional assessment are restricted to only pay for improvements within that district. Literally hundreds of BIDs have been set up across the country and have helped to transform once tired and declining downtowns into vibrant places. BID is a concept that is credited with the revitalization and cleanup of Times Square in New York City, as well as, areas closer to Nashua, like Portland, ME and Hyannis, MA.

In New Hampshire under RSA 31-122, BIDs are known as Central Business Services Districts (CBSD). CBSDs allow the collection of an additional property tax that can be used to fund *additional or enhanced* services within a district paying the tax. Authorized uses include property-related services performed in the public right-of-way and business development activities related to the maintenance of an attractive, useful, and economically viable business environment. Marketing, cleanup, security, and downtown revitalization activities can be funded with a CBSD. Capital expenditures are limited to \$20K per project. The revenue cannot replace existing municipal commitments.

A Services Advisory Committee, created by the Mayor and Board of Aldermen oversees BIDs. The Services Advisory Committee must include representation from property owners in the District. The Committee monitors efforts funded by BID revenue and prepares budget recommendations to the executive and legislative





## A Strategy to Create a Thriving Downtown Nashua



*Portland, ME is a notable example of a successful Business Improvement District*

branches of the municipality. Manchester and Concord are the only two communities in New Hampshire to utilize this approach.

### What is Realistic?

The Services Advisory Committee investigated the feasibility of creating a Business Improvement District in Downtown Nashua. Research revealed that BIDs as a great mechanism for spreading the costs of downtown investments across many stakeholders, while also providing a means for engaging property owners. The Committee utilized research completed by the Great American Downtown BID Committee, independent research, and a careful evaluation of the potential revenue that could be generated from a proposed district in Downtown Nashua. These estimates were tempered by feedback received during the second public information session about what assessment level is appropriate.

The Committee agreed that the BID assessment for any potential BID District in Downtown Nashua should not exceed \$0.50 per

\$1,000 of property valuation. Proposing a BID rate greater than that was judged to be too burdensome to business and property owners or politically infeasible. It was also determined that for a BID to show success, its efforts must be targeted to the core area of Downtown Nashua, the area that roughly approximates the Downtown-1 Zoning District, or the area that includes public parking meters and lots in Downtown Nashua.

The revenue generation potential of both potential districts was similar:

- Proposed DMU-1 Zoning District: \$61,660/yr; and
- Proposed “Parking Meter Footprint” District: \$54,165/yr.

The Committee prefers a BID District that encompasses the “Parking Meter Footprint,” which is shown on the map located on the right hand side.



### Parking Benefit District

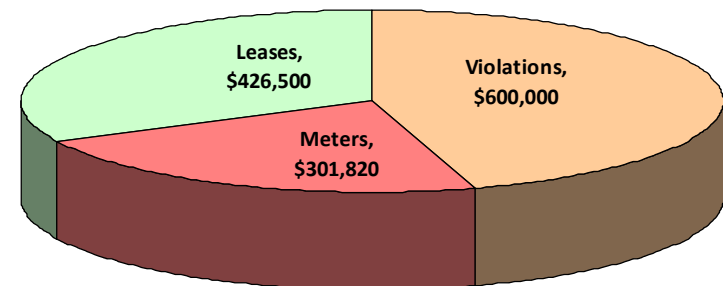
Similar to the concept of a BID, a Parking Benefit District captures parking revenue from on-street meters and off-street lot/garage revenue within a geographic area in a downtown. Like a BID, revenue is restricted to fund improvements within the geographic area from which funds were raised—ensuring that districts, which face the extra parking costs, receive a direct benefit. Funds are typically used for capital improvements, such as sidewalks, streets, parking garages, and other beautification efforts. Parking Benefit Districts are almost always implemented with parking policy changes, including variable pricing of public parking and other “smart parking” policies.

Parking Benefit Districts are being implemented across the country, particularly in the west. The best-known example was implemented in Pasadena, California, where it has been credited with breathing life into an historic downtown that was on the verge of irrelevance.

### Status of Nashua Parking Revenue

The City of Nashua generates over \$1,300,000 in annual revenue related to parking, which includes parking meter revenue, parking leases in lots and parking garages, and parking meter violations. Almost all of the revenue, except a small portion of the parking violation revenue, is collected from Downtown Nashua. The City spends approximately \$527,000 each year covering costs related to parking management and enforcement. As a result, the City has generated an annual profit of about \$800,000 directly from parking in Downtown Nashua. This profit is deposited into the City’s General Fund.

**Downtown Nashua Parking  
Revenue Source by Category (\$)**



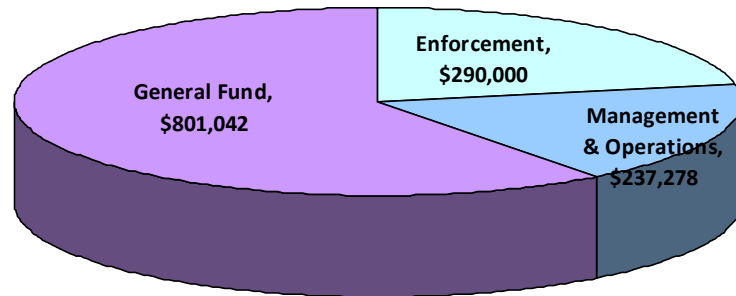
Currently, the City generates \$728,000 from meters and leases. It clears \$490,000 after expending approximately \$237,000 to manage these facilities. The City captures enforcement revenue of approximately \$600,000 within the Parking Enforcement Special Account. Enforcement costs of \$290,000 are paid out of this special account. Approximately \$310,000 is returned to the General Fund on an annual basis.

While parking enforcement and management are crucial elements that should help to increase parking turnover, excess funds being siphoned away from Downtown Nashua is a concern. In essence, “tax,” an additional cost of doing business that customers and

Downtown Nashua business owners and customers are paying a businesses in every other business district in Nashua do not pay. These Downtown stakeholders do not receive any extra benefit from this extra “tax.”



**Downtown Nashua Parking  
Uses of Parking Revenue (\$)**



The establishment of a Parking Benefit District in Downtown Nashua would go a long way toward addressing this problem. If parking rates were raised, the additional parking revenue could be captured and spent on downtown investments. Doubling Downtown Nashua meter revenue would generate \$300,000 in additional revenue for Downtown Nashua. A realistic package of meter rate increases, collection efficiency improvements, lease rate increases (increase monthly rates by \$5), and meter violation increases could generate an additional \$700,000. If 100% of the new revenue is directed toward efforts to invest in Downtown Nashua, the potential exists for dramatic results. Potential concern of customers avoiding Downtown Nashua due to the high cost of parking will likely be abated if the revenue is invested to create a lively, vibrant Downtown Nashua.



## Cultivating Vitality

### Tax Increment Financing

Tax Increment Financing (TIF) provides financing for public improvements using new tax revenue created by new, expanded, or renovated commercial property in a TIF district. The concept follows the notion that a substantial public improvement critical to stimulate a development project can be paid off by future tax revenue generated by a project. Creating a TIF Plan includes identifying the public improvements needed to stimulate development and the development projects that it will spur. A municipality borrows funds to pay for the public improvements. Then the municipality will pay off the bond using the annual new revenue generated by the private development projects. This approach has been used frequently to fund public infrastructure projects, including sewers, water, roads, and sidewalks.

The only TIF project to date is the Nashua River Promenade TIF District (also known as the Jackson Falls TIF). The project helped to extend the Riverwalk on a cantilevered walkway over the Nashua River next to Jackson Falls and the Peddler's Daughter. New, annual tax revenue from the Jackson Falls condominium project and Peddler's Daughter property generates enough revenue to pay off the bond obligation. Numerous communities in New Hampshire have used TIF to stimulate economic activity by funding the extension of sewers, roads or other public infrastructure.

Tax Increment Financing is a terrific tool to use when a public infrastructure project requires funding and where there is an expected large private development(s) that could generate enough additional property tax revenue to cover the debt service costs of that project. Those conditions are not present in Downtown Nashua, today.







### Grants and Fundraising

Many communities seek out grant opportunities to fund projects that will help to cultivate a vibrant downtown. Communities have been successful in attracting federal and state funding to help develop new assets that will attract people to downtown areas. Major, multi-million dollar attractions have been built in the region for this purpose and include: sports facilities, performing arts centers, parking garages, river trails, etc. Nashua has received large federal grants in the past that have helped to build its two parking garages, the Superior Court complex as well as segments of the Nashua Riverwalk.

There are also many examples of downtown projects and initiatives created and funded through successful private fundraising efforts. Currently, the Reflection Garden and Labyrinth is under construction at Rotary Common. Nashua residents and business owners are poised to complete a successful community fundraising effort that may exceed \$125,000. Great American Downtown successfully raises \$20,000 to \$40,000 each year from its two signature events, the Taste of Downtown Nashua and the Holiday Stroll. The City of Nashua and Great American Downtown received a \$100,000 grant from the McLean Contributionship, a foundation run by the owners of the Nashua Telegraph, to construct a section of the Riverwalk, which will run near the Nashua Public Library.

It is reasonable to assume that other downtown initiatives and projects could be accomplished through the help of private fundraising and government grants.

### Fundraising Challenges

Despite many successes, private fundraising and public grant writing is not an easy avenue. There are limits to the ability to sustain a multi-year initiative with the support of either source. Reasons include:

- **Federal grant dollars are exceedingly rare, even with ARRA**  
Despite the public perception that the 2009 American Recovery and Reinvestment Act provides a limitless source of federal funding for communities, the real effect has been much milder. The City of Nashua has received federal funding for energy efficiency, green initiatives and other programs. The City is applying to the State of New Hampshire for other federal grants for water and sewer infrastructure projects. However, there are few sources of flexible, large funding to support a sustained effort to revitalize Downtown Nashua. Other federal and state grants and grant opportunities for communities like Nashua have declined gradually over the past few decades.
- **It's easier to fundraise for a physical project than a multi-year initiative**  
Both private fundraising efforts and government grant writing tend to be more successful when seeking funds for a physical, signature project. Projects like the Labyrinth or a Riverwalk are easier to do, but by no means easy. Donors, both large and small, are often interested in signature projects, rather than initiatives that may be perceived to cover organizational operating expenses.



## Cultivating Vitality

- **There is increasing competition for foundation grants**

As government grants decline and private fundraising efforts become more competitive, there are more organizations and initiatives competing for precious little foundation grant dollars.

- **It is becoming more difficult to raise money through sponsorships, subscriptions and private donations**

The decline in the economy over the past few years has made it difficult to raise funds for all types of charitable endeavors. A donor choosing between keeping a soup kitchen open and donating to downtown revitalization effort may choose the one that has a more direct impact. Also, raising dollars for a Downtown Nashua project or initiative often requires approaching the same business owners or people, over and over again. Often times, these people are the same small, independent business owners running Downtown Nashua businesses.

Great American Downtown has had tremendous success in recent years with their entrepreneurial approach to raising critical funds through sponsorships and memberships. They have been able to raise tens of thousands of dollars during each of their signature special events or membership drives.

Their approach has been much more successful than similar organizations in the region's other downtowns. GAD has had to be more successful at fundraising--they have come to rely on it to keep the organization in business.

Unfortunately, these efforts prove to be more and more difficult over time and require more and more organizational resources to make it happen. Great American Downtown recently estimated that 75% of staff time is spent on fundraising or seeking sponsorships for their special events. Special events are critical to bringing new exposure to Downtown Nashua. However, excessive time fundraising may take away from some of the organization's other core missions. Opportunities to recruit new businesses to Downtown, coordinate shopping promotions or organize workshops for small business owners may be missed. All non-profit organizations face the challenge of balancing fundraising efforts with other organizational missions.

A comparison of all of the potential funding approaches that could be used to fund investments to improve Downtown Nashua are presented in the table on the following two pages.



## Options to Fund Downtown Nashua Investments and Initiatives

Funding Source	Description	Typical Uses of Funds	Restrictions
<b>City of Nashua General Fund</b>	General fund revenue authorized by the Board of Aldermen and Mayor	<ul style="list-style-type: none"> <li>Operational funds that support a majority of City-provided services</li> <li>Pay off bonded capital projects for public infrastructure and projects</li> </ul>	Few, but subject to annual budget appropriations.
<b>Community Development Block Grant Program (CDBG)</b>	CDBG is a long-running HUD program that funds local community development activities. As block grant, funding is largely used at the discretion of the state and local governments	<p>Various uses of funds, including</p> <ul style="list-style-type: none"> <li>affordable housing,</li> <li>anti-poverty programs,</li> <li>economic development, and</li> <li>infrastructure.</li> </ul> <p>In recent years, social programs, housing, parks, dominates Nashua funding priorities.</p>	<p>Subject to federal regulations, depending upon the project; all projects must meet the National Objective of:</p> <ul style="list-style-type: none"> <li>benefiting low-moderate income persons and/or</li> <li>reducing slums &amp; blight.</li> </ul>
<b>BID (Business Improvement District)</b>	<p>Initiative in which property owners in a defined area pay an additional tax or fee in order to fund improvements within the district's boundaries.</p> <p>Known as Central Business Services Districts in New Hampshire.</p>	<p>Uses authorized under RSA 31-122 include:</p> <ul style="list-style-type: none"> <li>property-related services performed in the public right-of-way, including sidewalk snow removal, landscaping, street and sidewalk cleaning, refuse collection, and</li> <li>business development services and activities related to the maintenance of an attractive, useful, and economically viable business environment.</li> </ul>	Capital expenditures limited to \$20,000 per project.
<b>Tax Increment Financing (TIF)</b>	A TIF provides financing for public improvements using new tax revenue created by new, expanded, or renovated commercial property in a TIF district.	Public infrastructure improvements, including sewer, water, roads, sidewalks, etc.	Rules governing the creation of TIF districts and the use of funds is outlined in RSA 162K
<b>Parking Violations</b>	Revenue generated from parking meter violations, handicapped parking violations, etc., primarily in Downtown Nashua.	Parking enforcement operations.	Funds restricted by terms of the special revenue account.
<b>Parking Meter Revenue</b>	Revenue generated from parking meters (lots, garages and on-street parking) in Downtown Nashua	<p>Authorized under RSA 231:131</p> <ul style="list-style-type: none"> <li>to finance purchase, maintenance, policing of meters</li> <li>to <i>maintain &amp; improve streets</i>;</li> <li>to acquire, construct, improve, maintain and manage public parking areas and public transportation systems</li> </ul>	Limited to only uses outlined in RSA 231:131
<b>Parking Lease Revenue</b>	Revenue generated from leased parking spaces (lots, temporary on-street and garages)	Operation, administration and maintenance of parking facilities	None
<b>Private Fundraising</b>	Wide variety of revenue raised from donations, advertisements and sponsorships, etc.	Various	Revenue must be used as required by funding source
<b>Government Grants</b>	Project and initiative funds granted by State, Federal agencies	Various	Revenue must be used as required by funding source



## Options to Fund Downtown Nashua Investments and Initiatives

Funding Source	Current Uses of Funding in Downtown Nashua	Potential Funding Opportunity	Who Pays?	Consistent?	Leverage Potential
<b>City of Nashua General Fund</b>	City annually funds in Downtown Nashua activities by public works, parks and recreation; planning & econ dev. police and fire; ▫ \$40K allocation to GAD	Virtually unlimited, but realistically constrained by a spending cap as well as Mayor and Board of Aldermen budget sensibilities.	Nashua Taxpayers	Year to year	Medium
<b>Community Development Block Grant Program (CDBG)</b>	Recently-funded Downtown Nashua projects include: ▫ Best Retail Practices program; and ▫ Portion of the purchase of a sidewalk plow ▫ GAD decorative archway project.  Less than \$70,000 spent in last 5 years on Downtown projects.	City annually receives over \$790,000 in CDBG funding. Funding limited by Mayor and Board of Alderman priorities.	Federal Gov't	Year to year	Large
<b>BID (Business Improvement District)</b>	Not applicable. No BIDs currently existing in Downtown Nashua.	Funding depends upon the fee charged to participants within the boundaries of a BID as well as the cost and scope of the activities contemplated.  Potential for \$55,000, annually	Property owners and businesses	Yes, if approved	Medium
<b>Tax Increment Financing (TIF)</b>	Nashua's only TIF district is the Jackson Falls TIF, which was used to fund a \$1,000,000 improvement to the Nashua Riverwalk.	Depends upon the value of the additional development in the TIF district.	Property owner/ City	Yes, if approved	Large
<b>Parking Violations</b>	▫ \$290,000 used to fund enforcement expenses (staff and vehicles);	\$100,000 to \$250,000 increase possible if meter violations are doubled to \$20	Downtown patrons	Yes	No
<b>Parking Meter Revenue</b>	▫ In FY 2011, Transportation Department budgeted \$237,000 to fund Downtown parking management, operations and maintenance; ▫ Profit returned to City General Fund (expected to be \$497,000)	▫ Potential increase could exceed \$500,000 in new revenue	Downtown Patrons	Yes	No
<b>Parking Lease Revenue</b>		▫ approximately \$50,000 increase in revenue for every \$5/month increase in lease rates	Downtown Employees and owners	Yes	No
<b>Private Fundraising</b>	▫ Special events; ▫ Annual tree lighting expenses; ▫ Nashua labyrinth;	Difficulty increasing as competition for funds increases. Success highest with physical, signature projects.	Various	no	Medium
<b>Government Grants</b>	▫ Riverwalk construction; ▫ Transit grant for trolleys		State and Fed Gov't	No	Medium



## Chapter 6: A Plan that Bears Fruit

After hearing from Downtown Nashua stakeholders, including business and property owners, residents, and consumers, conducting extensive research in nine peer downtowns, and analyzing the results of the Downtown Market Analysis, the Services Advisory Committee understands that a comprehensive, sustainable, and on-going approach to improvement in Downtown Nashua is critical. It is clear that the time is now to implement and fund such an effort. Taking care of Downtown Nashua requires a consistent, long-term annual investment.

### Downtown Nashua Improvement Strategy

The Services Advisory Committee envisions a reinvigorated Downtown Nashua, where businesses not only survive, but thrive. The implementation strategy requires commitment from all stakeholders if this vision for Downtown Nashua redevelopment is to become a reality. Downtown is important to all residents of Nashua and their support of this effort is essential.

In order to make the necessary improvements in Downtown Nashua, a consistent and sustainable, multi-year commitment of resources is required. A comprehensive implementation plan based on realistic financial estimates has been devised and includes the following elements:

### Downtown Parking Improvements

### Customer Attraction Program

### Streetscape Enhancement Plan

### Small Business Assistance Initiative

### Downtown Funding Strategy

The implementation strategy respects the need for accountability and ensures that Downtown stakeholders will be kept apprised of efforts made and improvements realized. The Services Advisory Committee, or its successor, will oversee the organizational framework that brings together the various interest groups and stakeholders and will deal directly and exclusively with the concerns of Downtown. The organizational oversight of the implementation strategy will be the responsibility of the Services Advisory Committee, or its successors.



## Cultivating Vitality

### Downtown Parking Improvements

It is critically important for the City of Nashua to maximize the scarce parking resources located in Downtown Nashua. There is ample supply of parking, just not located in the most convenient places. Parking policies must focus on strategies that match the supply of parking with increasing demand. The goal must be to manage it so that there are open spaces always available throughout Downtown Nashua. Successfully implemented, these strategies make efficient use of the existing and underutilized parking supply, avoiding the need for building expensive parking garages or acquiring property for additional surface lots.

The strategies must keep the following principles in mind:

#### Market-based pricing of on-street parking

Parking follows the laws of supply and demand. Spaces in demand (like on-street spaces in front of a store) should be more expensive than less attractive spaces (like those in remote parking lots). Higher prices at high demand locations will incentivize patrons who intend to stay in Downtown Nashua for a long time to park in a more remote, cheaper lot. This frees up high demand spaces to encourage quicker parking turnover—which will create the opportunity for more customers for Downtown.

#### On-street parking spaces should be priced so that 15% of the spaces are always available

Pricing that encourages one out of 6 or 7 spaces to be available will create a perception (which will match reality) that it is easy to find a space in Downtown Nashua. There will be less time spent circling the block if a driver always sees an available space where they want it. This has the side benefit of reducing needless traffic that circles the block.

#### Keep parking revenue in Downtown Nashua

Parking revenue should not be used to subsidize the City Budget. This represents an unfair tax on those doing business in Downtown Nashua. If that revenue is captured and spent on projects that improve Downtown Nashua, parking revenue can become a means of transforming an area and paying for the specific needs of Downtown Nashua.

Currently all of the surplus revenue from Downtown parking goes into the City's general fund (after operating costs are paid). The strategies proposed will not undermine the existing funding that goes to the City's general fund. The City has come to rely on this money. Only the *additional* money generated by changing current pricing policies should be used to fund efforts to improve Downtown Nashua.





## Near-Term/Low-Cost Improvements

The following policies could be implemented immediately at virtually no cost, using existing equipment and management resources:

### Expand parking meter times

On-street and off-street parking meters should operate until 8 p.m., when there is still demand for on-street parking. This is estimated to increase the existing parking revenue by \$15,091 and up to \$30,116 if implemented with parking rate increases.

### Expand Metering to Saturday

On-street and off-street parking meters should operate on Saturdays, when there is still demand for on-street parking. This is estimated to increase the existing parking revenue by \$30,182 and up to \$60,232 if implemented with parking rate increases.

### Use a three-tiered approach for pricing Downtown Nashua metered spaces

The current single-price policy does not recognize that some spaces are more valuable to parkers than others. Three pricing tiers should be established, which would correspond roughly to convenience and demand for the space.

The tiered pricing structure will help to distribute parking demand to all three zones, encouraging better use of the existing and ample parking supply. It is estimated that these rate increases will generate \$300,500 annually in new revenue, doubling the current amount generated from meters in Downtown Nashua. Suggested tiers include:

Zone	Price Change	Areas Affected
Zone I	<b>increase</b> rates from \$0.50/hr to \$1.50/hour	Includes all high demand spaces on Main Street and limited portions of W. and E. Pearl St.
Zone II	<b>increase</b> rates from \$0.50/hr to \$1.00/hour	Includes metered spaces not in either Zone I or III
Zone III	<b>decrease</b> rates from \$0.50/hr to \$0.25/hour	Includes metered spaces at the School St., Garden St., and Maple St. lots, plus outlying on-street metered spaces

### Increase Downtown Nashua parking lease rates

Off-street, monthly leased parking rates have not been increased in 8 years. A \$5/month increase should be implemented. There are currently three different lease rates in Nashua. Parking lot rates would be raised from \$50 to \$55/month; garage covered parking rates would be raised from \$45 to \$50/month; and garage roof level rates would be raised from \$30 to \$35/month. This equates to an average effective rate of \$0.25/hour (up from the current rate of \$0.23/hour). This is estimated to increase total lease revenue by \$47,520, annually.



## Cultivating Vitality

### Increase parking violation fines

To encourage appropriate use of parking facilities, expired meter violations should be increased from \$10 to \$20. Right now, if one receives a parking ticket and continues to stay at a high-demand parking space, they are effectively paying all day at a rate of \$1.25/hour. Raising the violation fine will discourage the behavior of “taking a ticket” instead of paying meter rates.

This is conservatively estimated to increase revenue by \$120,000, annually.

As an alternative, enforcement officers could begin to issue double tickets in order to discourage all day parking on a downtown street. A crafty downtown employee parking at 8:00 a.m. on the street would gladly pay a \$10 ticket if he then didn’t need to worry about getting another one that day. A second ticket issued two hours later creates a clear disincentive—effectively raising the price of parking all day to \$2.50/hour.

### Establish a Parking Benefit District

It is imperative that Nashua commit to capturing the additional parking revenue generated by these proposals to be reinvested exclusively for the benefit of Downtown Nashua. A Parking Benefit District will meet that purpose. The additional funds must be earmarked specifically for downtown investments and initiatives. This approach will not affect funds currently going into the City’s General Fund, which will continue to receive \$500,000, annually.

Parking Benefit Districts have been used in other states to accomplish the idea of using parking revenue as an asset for

economic development. The means of achieving this approach under New Hampshire enabling laws may require some refinement, but is clearly allowable. The application of this concept is a critical element to fund many of the initiatives outlined in this report.



### Near-Term/Moderate-Cost Improvements

The following policies could be implemented between 3 to 12 months, with a moderate investment:

#### Customer-friendly ticketing

Few people look forward to meeting a parking enforcement officer. This doesn't have to be the case. Innovative parking enforcement operations are turning their personnel into friendly, customer-oriented ambassadors of a downtown district. This recognizes the unique opportunity to exceed the expectations of downtown patrons. Enforcement officers could from time to time issue warning "tickets" that contain coupons for downtown restaurants to reach out in a similarly friendly way to drivers.

#### Expand the on-street meter footprint

It is prudent to add additional meters in areas within Downtown Nashua that are not currently metered. Also, areas on the outskirts of Downtown Nashua will be subject to additional parking demand if parking rates are increased at existing locations. These areas, like the west side of Spring Street, need meters. These efforts are estimated to increase parking revenue by \$30,182 to \$60,323, annually, depending upon whether or not parking meter rates are increased.

#### Multi-space pay-and-display parking meter system

Replacing the current meters (that meter one or two spaces) with multi-space meters that can manage a row of on-street spaces to an entire parking lot will increase collection efficiency and make it easy to change rates. Less cash is used in these meters, which can accommodate credit card payments. Less cash means less

unaccounted revenue (lost coins, theft, risk of break-ins). Experience by parking managers nation-wide reveals a 10% to 15% increase just by converting to pay and display multi-space technology. In Downtown Nashua, this could yield \$36,218 to \$72,278 in new revenue, annually.



*This pay and display meter in Portsmouth, NH, provides customers the convenience of paying by debit or credit card, help to improve collection efficiency.*



## Cultivating Vitality

It is important to note that the City's existing parking meters will require periodic upgrade of the mechanisms, whether or not the metering is converted to pay and display. The cost of the next upgrade is expected to be \$30,000.

The cost of conversion is estimated to be approximately \$900,000 to \$1,000,000 for a downtown the size of Nashua. The new revenue would likely cover the cost of implementation (the new revenue generated would exceed the cost of borrowing).

### Upgrade off-street parking lots

The condition of many of the public lots creates a poor first impression for patrons of Downtown Nashua. Consistent investment is needed to repave, re-stripe, landscape, beautify, and enhance the handicapped accessibility of these lots. Approximately \$40,000 each year should be budgeted to make these necessary improvements—enough to upgrade one lot per year.

### Consolidate Parking Management and Enforcement Operations under the Transportation Department

Currently, parking enforcement operations are managed jointly under the Nashua Police Department and the Treasurer's Office, while parking lot management is overseen by the Transportation Department of the Community Development Division. This missed an enormous opportunity to coordinate all parking related functions under one roof. It's possible that lax enforcement of on street spaces could result in slower parking turnover or lost parking meter revenue. Enforcement that is too severe might counteract efforts to put a friendly face on the City's parking assets. This would enable the City to create a streamlined, unified approach that would foster management creativity and a complete customer service face.



*The Water Street Municipal lot would benefit from upgrades in order to create a more welcoming first impression for Downtown visitors.*



### Improvements Requiring Further Analysis

The following initiatives could be implemented on a pilot basis or require some level of further analysis:

#### **Eliminate time limits on metered spaces**

If parking is priced appropriately, it will encourage appropriate use. There should be no need to regulate and enforce time limits for spaces that are metered in order to encourage parking space turnover. Manipulating the price of metered spaces should adjust parking turnover rates. If spaces in one location are not turning over and patrons are feeding the meters, prices should be increased to the point where 15% of spaces are available.

#### **Complete a thorough evaluation of each public parking lot to determine the appropriate balance of leased vs. metered spaces**

The Parking Department has begun this evaluation. Some lots have meters that are underutilized, which could be converted to lease spaces (or vice versa). This may lead to additional revenue gains, but will certainly increase usability of the spaces. Many of these lots are governed by city ordinance, which specifies the amount of spaces to be leased and metered, the rates, and the time limits. Additional flexibility should be given to the parking managers to ensure that these lots are maximized for the benefit of economic development.

#### **Clarify rules for on-street handicapped parking spaces in Downtown Nashua**

Handicapped spaces are designed to provide convenient access to people with physical disabilities. Currently, under New Hampshire law, anyone with a handicapped placard can park at **any** public metered space for free.

Abuses have been observed. New Hampshire laws are not clear about if handicapped drivers are subject to violations for exceeding posted time limits. As a result, there are workers who park at on-street spaces all day with handicapped placards, despite the availability of accessible off-street spaces in lots. Nashua should pass a local ordinance that makes it clear that handicapped parkers are subject to time limits.



## Cultivating Vitality

### Customer Attraction Program

All shopping districts, malls, and retail destinations utilize various methods to attract customers. Individually the methods are simple, but taken together a comprehensive and effective customer attraction strategy is developed. These efforts include those that focus on ensuring that the experience customers have is a good one (maintenance and beautification), those that increase awareness of the shopping designation to potential customers (marketing and promotion) as well as special events.

#### Maintenance and Beautification

Consistent cleaning and maintenance of streets, sidewalks, street furniture, and beautification efforts that light trees during the holidays and decorate Downtown Nashua with flowers all create a welcoming atmosphere. While Downtown Nashua is generally found to be attractive, consumer surveys indicated that more work is needed. Cleanliness, graffiti, and panhandlers are emerging problems that detract from the customer experience. A successful program will include the following elements:

- Graffiti removal services
- Enhanced sidewalk cleaning services
- Flowers and beautification
- Tree maintenance and holiday lighting services

Existing efforts related to sidewalk cleaning and flowers and beautification rely on City public works resources that are stretched thin. It is not the intent to replace these City activities, but rather to provide additional support and enhancement. This might include additional targeted cleanup activities to steam-clean the sidewalks

or funding for additional flowers and plantings expanding what the DPW Parks & Recreation Department currently provides.

Either a contractor or the City DPW Parks and Recreation Department could provide these services. It is recommended that an RFP be issued that outlines the expected level of service required. The City, with a recommendation from the Services Advisory Committee or its successor, should select a vendor who can provide the most impact.

The required level of investment to make a meaningful impact is estimated to be \$35,000 a year.

#### Marketing and Promotion

Both area wide marketing efforts and niche oriented shopping promotions need to be consistent in order to continue to attract customers to Downtown Nashua. A successful program will include the following elements:

- Management and development of a Downtown-focused marketing and branding campaign
- Promotional banners
- Efforts to coordinate consistent business hours for Downtown Nashua
- Efforts to coordinate sales promotions for Downtown Nashua businesses
- Promotional brochures, maps, and newsletters

Existing efforts overseen by Great American Downtown are funded insufficiently. The Mayor's Office of Economic Development is in



## A Strategy to Create a Thriving Downtown Nashua



the process of launching a citywide marketing and branding initiative in partnership with the Greater Nashua Chamber of Commerce. It is recommended that the Downtown Program be coordinated to complement and support the larger citywide effort.

It is likely that a contractor will provide these services. It is recommended that an RFP be issued that outlines the expected level of service required. The City, with a recommendation from the Services Advisory Committee or its successor, will select a vendor who can provide the most impact. It is expected that Great American Downtown will be one of the interested vendors.

Funding a Downtown Marketing Program that makes a substantial impact upon a commercial district the size of Downtown Nashua is estimated to cost approximately \$60,000, annually.

### Year-round Special Events

Expansion of Nashua's excellent special events roster needs to happen. Nashua's signature special events, overseen by Great American Downtown, are a source of community pride and give further exposure to Downtown Nashua by attracting people and potential customers.

Additional special events should be held to further expand the roster of interesting activities taking place in Downtown Nashua. The types of events that could be held are virtually unlimited.

Existing efforts managed by Great American Downtown are funded through exhaustive fundraising efforts. These efforts stretch staffing resources too thinly. The central goal of special events should be to bring new visitors to Downtown Nashua, not to

generate a profit. The Special Events Program will primarily fund management and oversight costs.

It is likely that a contractor will provide these services. It is recommended that an RFP be issued that outlines the expected level of service required. The City, with a recommendation of the Services Advisory Committee or its successor, should select a vendor who can provide the most impact. It is expected that Great American Downtown will be one of the interested vendors.

It is estimated that festivals and special events management and implementation will cost \$70,000, annually.

In the long-term, efforts to fund marketing, beautification, and special events by raising money through memberships and sponsorships is unsustainable without an exhaustive effort. It often requires asking the same businesses and people to contribute, year after year. Consistent, reliable funding for these activities is needed to allow resources to be used for positive impact. It is anticipated that these efforts would be funded through the Downtown Nashua Improvement Fund(s), which will depend primarily upon newly generated parking revenue and a relatively small BID assessment.

### Discourage panhandling in Downtown Nashua

The presence of panhandlers in Downtown Nashua is a concern as it discourages potential shoppers from choosing to come to Downtown Nashua. Some cities are using unused parking meters to curb begging. The meters are set up to collect donations for local homeless service agencies. The idea is to discourage panhandling by providing an alternative to altruism. The "give real change, not spare change" initiative has been effective in Portland, OR. Other



## **Cultivating Vitality**

sidewalk management initiatives should include zero tolerance for criminal behavior such as aggressive panhandling and littering.

### **Discourage illegal and intolerable activity in the Railroad Square area**

The issues in Railroad Square discourage potential customers from patronizing businesses in the area. Long time business owners in the Railroad Square area are considering moving their businesses out of Downtown because of the situation. Increased police presence would greatly help to alleviate many of the problems.

These efforts should be undertaken in partnership between the Nashua Police Department and the organization chosen to oversee the customer attraction efforts.

### **Consolidate all City ordinances that regulate sidewalk uses such as outdoor restaurant seating and “A” sign boards.**

Business owners are frustrated by sidewalk usage ordinances that are vague, unclear, and confusing. It is recommended that these City ordinances be studied to determine if changes need to be made to clarify the ordinances. Also, the ordinance regulating when restaurants are allowed to put tables on the sidewalks for outdoor dining should be changed. Restaurant owners would prefer the allowable date for outdoor dining to be a few weeks earlier allowing them to take advantage of warm spring weather.



### Streetscape Enhancement Plan

The physical look and functional design of a shopping district is one of the most important factors that encourage customers to shop, eat and linger. If the streets and sidewalks look great, customers will feel welcome and consider shopping there. If they don't look good, they may dismiss it right away. The investment to makeover the Downtown Nashua streetscape in the late 1970s was one of the contributing factors to the resurgence of Downtown Nashua in the 1990s. Today, Downtown Nashua is noted for its wide, brick sidewalks and handsome street trees.

Yet, it appears obvious that these investments are close to reaching their design life as bricks are missing, benches are worn, and tree roots wreak havoc on the once-level sidewalks. Repairs are clearly needed. Also, recent customer surveys have revealed that Downtown Nashua patrons want something more. There is a strong demand for creating an environment that is pedestrian-focused rather than the one that emphasizes automobiles, like the one that currently exists in Downtown Nashua. They would prefer a place where people are shown more attention than cars. This may require modifications to Main Street that make it safer and more welcoming to pedestrians.

### Comprehensive renewal of the streets, sidewalks, and public infrastructure

It is recommended that a new effort begin to reevaluate and renew the streetscape in Downtown Nashua. The current streetscape scheme is over 30 years old and requires an overhaul. This investment needs to be significant in its scope, but its results focused on creating an environment that is pedestrian-friendly and

conducive to increasing business vitality and economic development opportunity. Estimates to renew the Downtown Nashua streetscape are estimated to cost \$3,725,000 to \$4,625,000. While specific designs have not been chosen, it must be comprehensive in nature and include the following elements:

- Reconstruction and replacement of the existing sidewalks with either full-bricks or concrete
- Installation of a proper sub-grade
- New sidewalk furnishings, bike racks, and trash receptacles
- New pedestrian-scaled lighting
- Improved signage to direct customers to parking areas
- Landscaping
- Grind and overlay Main Street
- A significant allowance for traffic calming modifications like pedestrian islands, reverse-angled parking, bump-outs, etc.
- Evaluation and implementation of changing traffic flow and eliminating one-way streets (convert to two-way, where advantageous)



## Cultivating Vitality

The entire effort would be funded by strategies outlined in the Downtown Improvement Financing Plan, which relies greatly on generating and capturing additional parking revenue.

### Next Steps

If supported, the next step would be to engage the services of a design/engineering consultant to oversee an inclusive planning and design process, encouraging participation in a community-driven process that would include all Downtown Nashua stakeholders. The intention would be to develop unified concepts for the streetscape renewal, keeping in mind that the goal is to design a pedestrian-friendly streetscape.

The initial step is to undertake a complete traffic study of Downtown Nashua. The study would help to broaden understanding about the traffic patterns and traffic drivers that affect Downtown Nashua. This study must keep in mind roadway changes that are planned with the Broad Street Parkway. The Broad Street Parkway, with its river crossing, could open up the possibility of reducing travel lanes in Downtown Nashua and make the conversion of one-way streets more feasible.

Further steps would evaluate specific alternatives to the Main Street streetscape. The design should consider traffic calming measures including the possibility of implementing reverse-angled parking. Bicycle lanes could also be evaluated and incorporated into the design. A pedestrian-oriented-downtown is a requisite for successful downtowns and should be the focus of Downtown Nashua reconstruction and renewal efforts. The final step would be to complete construction drawings, bids and specifications that would enable implementation.

The City of Nashua will need to issue a bond to raise the funds to cover the estimated \$4,650,000 total cost. It is estimated that annual debt service on such a bond would cost approximately \$380,000 a year (estimated using a 5% interest rate and 20 year amortization).



### Small Business Assistance Initiative

Small, locally-owned businesses are the lifeblood of the Downtown Nashua business community. These small, independent shops, restaurants and service-oriented businesses help to make Downtown Nashua a unique commercial shopping destination. Many of these businesses have encountered increasing competition from larger, well-capitalized chain stores located in suburban shopping malls and plazas in the region. Others have felt an impact as the popularity of on-line shopping continues to grow. Almost all have experienced significant challenges due to the nation-wide recession.

Experience has shown that independent shop-owners benefit greatly when provided with access to expert technical assistance and additional capital resources to help them sustain and grow their business. A comprehensive approach of supporting Downtown Nashua's independent small businesses should include the following actions:

#### Business assistance workshop series

A partnership that includes the Greater Nashua Chamber of Commerce, Great American Downtown, the City of Nashua Mayor's Office of Economic Development, NH Small Business Development Center, SCORE and the local colleges could organize the workshop series. Topics may include business plan development, best retail practices, creating a competitive advantage for small businesses, merchandising, retail floor plan design, web-based marketing, using social media, etc. The workshop series could be sustained for relatively low cost (\$15,000 a year), and would provide an enormous benefit to Downtown Nashua businesses (participation would also be open to any Nashua business).

### Storefront/Façade Renovation Program

A façade program would provide matching grants or low-interest loans to property/business owners interested in upgrading signage and commercial storefronts. The goal is to have all storefronts put their best face forward. When the facades are properly maintained, they will add to the historic feel of the Downtown. Great American Downtown discontinued its successful façade program when funds were exhausted. Funding for a sustained effort is needed. An impactful level of effort would require \$60,000, annually.

### Downtown Nashua Revolving Loan Fund

Many retailers and restaurants are unable to obtain loans from financial institutions as these kinds of businesses are often viewed as risky. The Mayor's Office of Economic Development currently manages a successful revolving loan fund that provides loan capital to mainly high-tech oriented firms and manufacturers. These loans are offered to augment, not compete, with bank financing enabling otherwise un-bankable deals to happen.

It is recommended that \$50,000 from this loan fund be used to launch a new revolving loan fund restricted to new or existing Downtown Nashua small businesses, with a focus on retail and restaurants. Local banks and other lenders will be encouraged to contribute to the new fund in order to grow its capabilities.



## Cultivating Vitality

### Downtown Funding Strategy

This comprehensive set of strategies has the potential to reestablish Downtown Nashua as a premier downtown district in the region. Most of the recommendations require consistent funding and a multi-year commitment. Creating a Fund (or Funds) that allow the new revenue to be captured and tracked will be the primary mechanism for providing the reliable, sufficient, and focused resources needed to fund the investment strategy and make a real difference.

### Parking Benefit District

A Parking Benefit District is a conceptual framework for ensuring that the additional money raised from downtown parking resources would be spent to benefit downtown. The means of achieving this approach under New Hampshire enabling laws may require some refinement, but is clearly allowable. The 2001 Downtown Nashua Parking study outlined an approach to reorganizing how the parking funds could be managed. Specific recommendations, which are still valid today, include:

The Parking Benefit District could be created as a Special Revenue Fund authorized under NH RSA 47:1-B and 1-C. The Parking Benefit District would capture meter and lease revenue and be used to fund parking management and operations, parking facility improvements and equipment replacement, as well as improvements in the future.

This would be set up as to not affect the funds currently going into the City's General Fund from parking meter and lease revenue. Currently, the City generates \$728,000 from meters and leases. It clears \$490,000 after expending approximately \$237,000 to manage



Old Pasadena, CA is widely known for the successful Parking Benefit District which ensures that parking revenue raised within the district is invested in the district.

these facilities. It is anticipated that efforts to raise parking revenue and capture it for use in Downtown Nashua will yield approximately \$660,000 annually (\$300,000 from increased meter revenue,



## A Strategy to Create a Thriving Downtown Nashua



\$47,000 from leases and \$120,000 from additional parking ticket/violation revenue).

Once the Parking Benefit District is established, no less than \$490,000 of revenue from the Parking Benefit District would be transferred on an annual basis to the City of Nashua General Fund. This reimburses the General Fund in an amount equal to what the General Fund has received in recent years from surplus parking revenue. This keeps the General Fund whole.

The Transportation Department would draw approximately \$360,000 from the Parking Benefit District on an annual basis. This equals the current amount budgeted for parking lot and meter management and operations plus the additional costs outlined in the Downtown Parking Improvements element of the Strategy (upgrade parking lots and convert to pay and display).

The remaining projected balance, approximately \$415,000, would be used to fund the debt service for the Streetscape Enhancement Plan (approximately \$380,000/year) and be available to augment the Customer Attraction Program or the Downtown Business Assistance Initiative (approximately \$36,000).

An increase in the parking violations is expected to add a \$120,000 surplus to the Parking Enforcement Special Account. This surplus should be reallocated, on an annual basis to be spent on Downtown initiatives. This surplus should be used to augment the Customer Attraction Program and/or the Downtown Business Assistance Initiative.

### Business Improvement District (BID)

The Downtown Nashua BID will be a public/private partnership in which property owners and business owners make a collective contribution to the maintenance, development, and promotion of the district. Revenue raised will pay for improvements within the District and will *not* replace existing City services or commitments. The Downtown Nashua BID will be structured as follows:

- The district will be limited to the core central business district, corresponding to the “Parking Meter Footprint”
- An assessment will be collected equal to \$0.50 per \$1,000 of assessed value from commercial, industrial, and residential properties with greater than 4 units. Residential properties with four or fewer units and non-taxable properties will be exempt.

Representing a relatively small portion of the overall revenue plan, establishment of a BID District will ensure that property and business owners play a role and have a vested interest in all improvement efforts moving forward. In the future, the area south of Kinsley Street will be studied as a potential expansion area for the Downtown Nashua BID. However, there is no reason to suggest that this area is ready for inclusion at this time.

It is estimated that a Downtown Nashua BID District will generate approximately \$55,000, annually. This funding should be combined with approximately \$110,000 from surplus meter, lease or violation revenue to fund the Customer Attraction Program.



## **Cultivating Vitality**

### **Funding from the CDBG Program**

The CDBG Program is used in cities across the country to stimulate improvement in downtown districts. This funding source can be an important tool for funding small business assistance programs and infrastructure improvements in low-and-moderate income areas, like Downtown Nashua. This allocation would be an important demonstration on the part of the City towards this initiative, without burdening taxpayers throughout Nashua.

The City of Nashua should commit to utilizing \$30,000 annually from the CDBG Program. This funding would be best utilized for elements of the Downtown Nashua Business Initiative.

### **Adopt-a-brick or similar strategies to augment streetscape capital costs**

While it cannot be a main source of funds for these Downtown Nashua initiatives, fundraising and sponsorships have the potential to generate significant resources to aid these efforts. These efforts should be explored, as well as other mechanisms that allow interested property owners to contribute financially to the improvement initiatives.

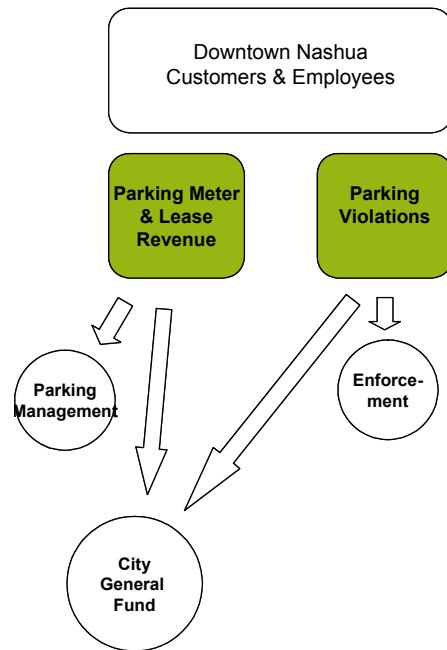
### **NH DOT funding for improvements for Main Street south of Kinsley Street**

The State of NH currently lists reconstruction of Main Street, from Kinsley Street to Allds Street to be initiated in 2017. It is critical that stakeholders of Downtown continue to advocate for this funding to plan for and complete this project. Its timing may coincide with a desire to expand customer attraction efforts in this area, once significant progress has been made in the core of Downtown Nashua.

## A Strategy to Create a Thriving Downtown Nashua

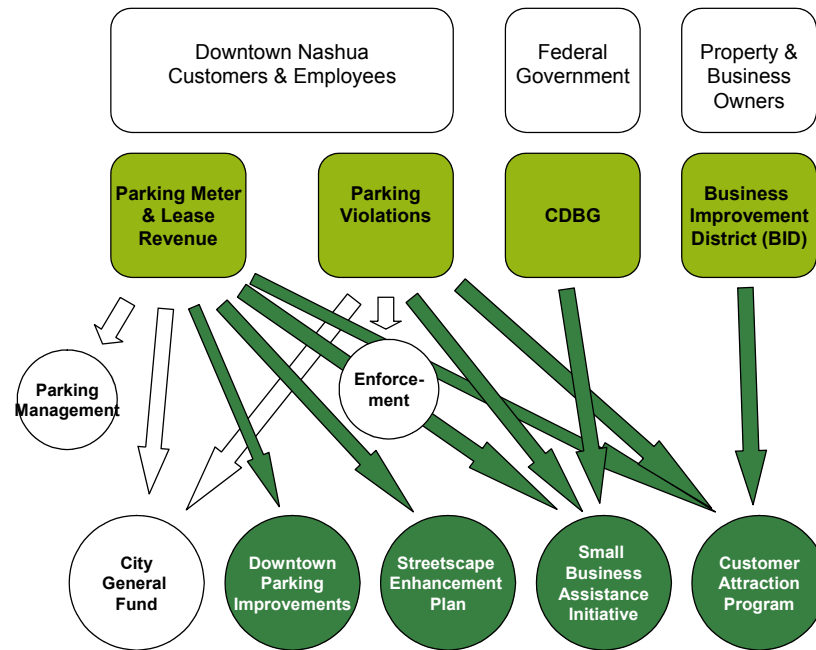


### Current Use of Downtown Revenue



Currently parking revenue is generated from the employees and customers of Downtown Nashua. Once the costs of operating the parking and enforcement operations are applied, the remaining revenue is sent to the City of Nashua General Fund. As a result, little is available to reinvest in Downtown Nashua.

### Proposed Downtown Investment Strategy



The proposed strategy obtains revenue from a wide group of Downtown stakeholders. Property owners, business owners and the Federal Government join downtown customers and employees in contributing. New sources of revenue and the enhancement of parking revenues provide the opportunity to fund a comprehensive revitalization strategy that will help to transform Downtown Nashua. Money generated from Downtown's stakeholders it put to work to improve that area for everyone.



## Cultivating Vitality

### Downtown Funding Strategy Budget

Strategy / Uses of Funds	Estimated Yearly Cost (\$)
<b>Parking Improvement Initiative</b>	
○ Surface Parking Lot Upgrades	\$40,000 /yr
○ Implementation of Pay & Display Metering	\$85,000 /yr <sup>1</sup>
<b>Parking Improvement Initiative Subtotal</b>	<b>\$125,000 /yr</b>
<b>Customer Attraction Program</b>	
○ Maintenance & Beautification <i>tree trimming, tree lighting, flowers, graffiti removal, sidewalk cleaning</i>	\$35,000 /yr
○ Marketing <i>campaign development, banners, sales promotions, promotional brochures, maps and newsletter</i>	\$60,000 /yr
○ Festivals and Special Events Management & Implementation	\$70,000 /yr
<b>Customer Attraction Program Subtotal</b>	<b>\$165,000 /yr</b>
<b>Streetscape Enhancement Plan</b>	
<i>traffic study, reconstruct sidewalks with proper sub grade, new sidewalk furnishings, bike racks, etc., pedestrian-scaled lighting, improved signage, landscaping, repave Main St, traffic calming (pedestrian islands, reverse-angled parking, bump-outs), etc.</i>	\$4,700,000 (est. total cost)
<b>Streetscape Renewal &amp; Investment Subtotal</b>	<b>\$380,000 /yr<sup>2</sup></b>
<b>Downtown Business Assistance Initiative</b>	
○ Storefront Façade Renovation Program	\$60,000 /yr
○ Small Business Workshop Series	\$15,000 /yr
<b>Business Assistance Initiative Subtotal</b>	<b>\$75,000 /yr</b>
<b>Downtown Investment – Total Yearly Cost</b>	<b>\$745,000 /yr</b>

<sup>1</sup> annual debt service for \$900,000 bond at 5% over 15 year amortization

<sup>2</sup> annual debt service for \$4,700,000 bond at 5% over 20 year amortization

## A Strategy to Create a Thriving Downtown Nashua



Strategy/ Source of Revenue	Estimate Yearly Revenue (\$)
<b>Parking Benefit District</b>	
○ Expand Meter Times to 8pm	\$30,000 /yr <sup>3</sup>
○ Expand Metering to Saturday	\$60,000 /yr
○ Tiered Meter Pricing <i>increase Zone I from \$.50/hr to \$1.50/hr; increase Zone II from \$.50/hr to \$1.00/hr; decrease Zone III from \$.50/hr to \$0.25/hr</i>	\$300,000 /yr
○ Expand Meter Footprint	\$30,000 /yr
○ Increase Parking Lease Rates <i>increase all monthly rates by \$5</i>	\$48,000 /yr
○ Increase Parking Violation Fines <i>increase expired meter violation from \$10 to \$20</i>	\$120,000 /yr
○ Implement Pay & Display Metering	\$72,000 /yr
<b>Parking Subtotal</b>	<b>\$660,000 /yr</b>
<b>Business Improvement District</b>	
○ BID Revenue <i>\$0.50 per \$1,000 of property valuation; \$108,329,000 eligible valuation in the proposed "Parking Footprint District"</i>	\$55,000 /yr
<b>Business Improvement District Subtotal</b>	<b>\$55,000 /yr</b>
<b>CDBG (Community Development Block Grant)</b>	
○ Downtown Initiatives/Projects	\$30,000 /yr
<b>CDBG Subtotal</b>	<b>\$30,000 /yr</b>
<b>Total Yearly Revenue</b>	<b>\$745,000 /yr</b>

<sup>3</sup> Estimate assumes that Tiered Meter Pricing is implemented. Otherwise, each estimate would be reduced by approximately 50% of value shown



## Cultivating Vitality

### Accountability

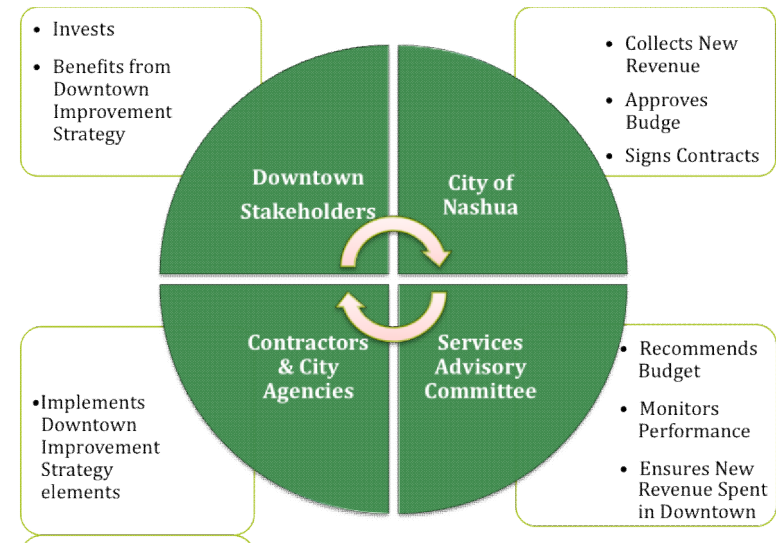
This report outlines an ambitious set of strategies designed to cultivate the next stage of positive growth for Downtown Nashua. The report also identifies a funding approach to allow them to be implemented. Cooperation between the City and the Downtown stakeholders who fund this Strategy is essential.

In order to fund the Strategy, Downtown's stakeholders are asked to pledge resources in order to see Downtown Nashua blossom. Property owners are asked to contribute an additional fee to fund a modest Business Improvement District. Business owners, employees, and customers are asked to invest through higher public parking rates in Downtown. This approach is logical—those who fund the Strategy are poised to gain the most from its successful implementation.

Accountability will be critically important to ensure long-term success. Stakeholders will need assurance that these efforts are on track and continue to cultivate a vital Downtown. They will need to be confident that those who implement the various elements of the strategy are performing well and making a noticeable impact. They will need to be confident that the new revenue generated from Downtown (BID and parking revenue) will be used exclusively for Downtown improvements and initiatives. They need to be sure that their investments will bear fruit.

### Oversight Role of the Services Advisory Committee

There will be an ongoing need for accountability. It is recommended that the Services Advisory Committee continue to stay focused on



monitoring Downtown's progress and report the progress to the Mayor, Board of Aldermen and to all of Downtown Nashua's constituents. The Committee, which is made up of Downtown Stakeholders (business and property owners), is well positioned to play this oversight role.

It is recommended that the Services Advisory Committee play an important role, moving forward, to monitor the progress of the Downtown Improvement Strategy. Specific roles for the Service will include:

- On an annual basis, prepare a budget for the Downtown Improvement Strategy in the form of a recommendation to the Mayor and the Board of Aldermen. The budget will



## A Strategy to Create a Thriving Downtown Nashua



include an investment plan for each of the core elements of the Downtown Improvement Strategy.

- Recommend to the Mayor and the Board of Aldermen a contractor(s) to implement the Customer Attraction Program (Marketing, Special Events, and Maintenance/Beautification elements).

It is expected that the Services Advisory Committee will identify capable contractors or City Agencies to implement these program elements by issuing a Requests for Proposals (RFP). The SAC will endeavor to identify the most capable entities that can provide the most value for Downtown Nashua. It is recommended that the Services Advisory Committee rely on staff from the Mayor's Office of Economic Development to manage the RFP process.

- Upon approval of the Mayor and Board of Aldermen, negotiate contracts for implementing of the Customer Attraction Program. It is recommended that the SAC rely upon assistance from staff from the Mayor's Office of Economic Development.
- Monitor performance of the contracts related to the Marketing, Special Events, and Maintenance/Beautification Programs;
- Monitor progress and performance of the City Agencies responsible for parking improvement initiative, the Streetscape Enhancement Plan and the Downtown Business Assistance Initiative.

- Track revenue collected from the Business Improvement District (BID), Parking Benefit District, and CDBG program that will be used for Downtown initiatives;
- Meet four times a year to review progress toward meeting the goals of cultivating a vibrant Downtown Nashua;
- Issue an annual report on the status of Downtown initiatives; and
- Within three years, prepare a comprehensive analysis of the status of the Downtown Investment Strategy. The SAC will determine if the Strategy is working and if it should be continued. The SAC will present its report to the Mayor and the Board of Aldermen.

The comprehensive analysis will include the implementation of a new Downtown Nashua Business Survey and a Downtown Nashua Consumer Survey. The SAC will also host a series of public meetings with stakeholders in order to gain feedback, gauge success and identify areas in need of improvement.

### Role of the City of Nashua

This approach relies upon the Services Advisory Committee, made up of Downtown Stakeholders, to be the eyes and ears of this Strategy. However, this approach preserves the roles of the Mayor, as executive officer for the City and the Board of Aldermen, Nashua's policy-making and legislative body. Collection of the new revenue generated by the Strategy and expenditure of these funds



## Cultivating Vitality

will still require approval and endorsement of the Mayor and Board of Aldermen.

The Board of Aldermen and the Mayor will be asked to consider new legislation that will help set up the financial mechanisms necessary to help implement the strategy. The goal is to

Changes to parking meter rates, location of new meters, off-street lot and garage lease rates and violation rules all will require ordinance changes. There may be a need to change other ordinances in order to implement other parking strategies or to modify the parking enforcement special revenue account, capital reserve accounts and other special revenue accounts in order to better capture parking revenue.

Chapter 320-43 outlines the use of parking meter revenue to *“shall be expended to finance the purchase, maintenance and policing of such meters, or to maintain and improve streets and highways, or to acquire, construct, improve, maintain and manage public parking areas and public transportation systems, or for any combination of the foregoing purposes, but for no purpose not expressly authorized in this section.”*

These parameters are too broad. It needs to be changed in order to further restrict the use of these funds to uses only within the “Downtown Parking Meter Footprint.” This will ensure that meter revenue raised in Downtown Nashua will only be spent on improvements to Downtown Nashua

## Role of Contractors and City Agencies

The programs and initiatives that make up the Strategy will be implemented by a variety of City Agencies and private contractors. Assignment of these responsibilities will be made according to the experience and track record of these entities. Downtown stakeholders will demand that the Strategy be implemented by entities that provide the most value and can realize the biggest impact for Downtown Nashua.

The City of Nashua Transportation Department is best suited to oversee all of the elements of the Downtown Parking Improvements.

The Public Works Division is best suited to oversee the Streetscape Enhancement Plan, but must seek considerable public input from Downtown Stakeholders as this initiative advances.

The Mayor’s Office of Economic Development is well positioned to advance the Downtown Business Assistance Initiative. It may subcontract project elements in order to increase the reach of the program.

The SAC will issue an RFP to identify capable contractors or City agencies that can implement the various elements of the Customer Attraction Program. Due to their track record and experience in these disciplines, it is expected that Great American Downtown will respond to the RFP. However, others will be encouraged to submit proposals. Competition can only serve to ensure that Downtown Nashua stakeholders receive the most benefit from its investment.